



Iowa General Assembly
Daily Bills, Amendments and Study Bills
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House File 2474 - Introduced

HOUSE FILE 2474
BY HALL

A BILL FOR

1 An Act directing the department of administrative services to
2 establish policies to minimize health care cost increases
3 while maintaining adequate coverage for state employees.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5846YH (2) 84
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H.F. 2474

1 Section 1. DEPARTMENT OF ADMINISTRATIVE SERVICES — GROUP
2 HEALTH CARE COSTS. The department of administrative services,
3 consistent with applicable collective bargaining agreements,
4 shall adopt policies and cost savings strategies to reduce the
5 increase of health care costs while maintaining adequate health
6 care coverage for state employees. Policies and strategies
7 adopted should aid employees in making the best health care
8 choices for the money and should, if possible, require state
9 employees selecting more expensive health care choices to pay a
10 greater share of the cost. The department may also consider
11 the use of incentives to lower the state's health care benefit
12 costs.

13 EXPLANATION

14 This bill directs the department of administrative services,
15 consistent with applicable collective bargaining agreements,
16 to adopt policies and cost savings strategies to reduce the
17 increase of health care costs while maintaining adequate health
18 care coverage for state employees.



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House Resolution 147 - Introduced

HOUSE RESOLUTION NO. 147

BY HALL

1 A Resolution to recognize the destructive nature of
2 invasive species in the state and to encourage our
3 state to make protection of our natural resources
4 from these destructive pests a priority.

5 WHEREAS, each year in Iowa millions of dollars,
6 both public and private, are spent to control invasive
7 insects, plants, and animals; and

8 WHEREAS, invasive species threaten Iowa's lands
9 and waters by competing with and destroying native
10 plants and animals and by disrupting complex natural
11 ecosystems; and

12 WHEREAS, several invasive insects are threatening
13 our woodlands including the gypsy moth which is one
14 of the most destructive pests of hardwood trees in
15 the eastern United States and which, along with other
16 foliage-eating pests, has caused an estimated \$868
17 million in annual damages in the United States; and

18 WHEREAS, gypsy moths are notorious hitchhikers which
19 have been brought into Iowa on recreational vehicles
20 and nursery stock where their caterpillars feast on
21 the leaves of oak, apple, basswood, hawthorn, willow,
22 and birch trees, as well as over 200 other kinds of
23 trees and shrubs, defoliating, weakening, and sometimes
24 killing the trees; and

25 WHEREAS, Iowa is currently on the western edge
26 of the gypsy moth infestation with relatively low
27 densities of the insect and learning to recognize
28 the gypsy moth is an important part of preventing

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1 infestations and severe damage to Iowa's forests,
2 woodlands, and urban landscapes; and

3 WHEREAS, the emerald ash borer is another pest of
4 trees which was first discovered in the United States
5 in 2002 feeding on ash trees near Detroit and within
6 two years more than six million ash trees in the area
7 were dead or dying; and

8 WHEREAS, the emerald ash borer only feeds on green,
9 white, and black ash trees in North America, and these
10 ash species are common in native Iowa forests and are
11 a predominant species in the urban landscape in Iowa,
12 with green ash being a regular component of floodplain
13 areas and white ash being found in Iowa's upland
14 forests; and

15 WHEREAS, emerald ash borer populations have spread
16 to many eastern states and the insect was identified
17 and confirmed in Iowa in May 2010 on Henderson Island
18 in Allamakee County resulting in a quarantine of that
19 county; and

20 WHEREAS, a voluntary moratorium on purchasing ash
21 nursery stock from east of the Mississippi River is
22 being encouraged by the Iowa Nursery and Landscape
23 Association in cooperation with the Iowa Department of
24 Agriculture and Land Stewardship and the Department of
25 Natural Resources; and

26 WHEREAS, Iowa's waters are also threatened
27 by aquatic invasive species including Eurasian
28 watermilfoil, Asian carp, and zebra mussels; and

29 WHEREAS, Eurasian watermilfoil is a highly invasive
30 plant that competes aggressively with native aquatic

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1 plants and forms dense mats that interfere with fish
2 spawning and growth, and boating, fishing, swimming,
3 and other forms of water recreation; and

4 WHEREAS, efforts to control the growth and spread
5 of Eurasian watermilfoil in Iowa's waters have focused
6 on preventing the introduction of the plant into new
7 bodies of water by encouraging boaters and fishers to
8 rinse or dry boats, trailers, and fishing equipment
9 before transporting them to another body of water; and

10 WHEREAS, Asian carp, including bighead carp and
11 silver carp, have also been found in Iowa's lakes and
12 rivers, including the Iowa great lakes and the Little
13 Sioux River watershed; and

14 WHEREAS, silver carp reach a maximum size of 40
15 inches and 50 pounds, compete with native species for
16 food, and are notable for their ability to jump out of
17 the water 10 or more feet into the air when startled
18 by boat vibration creating dangerous situations for
19 boaters and water-skiers; and

20 WHEREAS, bighead carp can reach sizes up to five
21 feet long and 90 pounds and also compete with native
22 species for food; and

23 WHEREAS, zebra mussels are another aquatic invasive
24 species which was first discovered in Lake St. Clair
25 located between Ontario, Canada, and Michigan in 1988
26 and has since spread to all the Great Lakes, the
27 Mississippi River and other inland rivers, and lakes
28 of 23 states; and

29 WHEREAS, zebra mussels were first documented in Iowa
30 in 1992 in the Mississippi River near Burlington and

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1 one year later were reported along the entire length of
2 the Mississippi River bordering Iowa, and by 2005 were
3 reported in Clear Lake; and

4 WHEREAS, zebra mussels spread rapidly and
5 significantly alter the ecosystem of a body of water
6 where they become established, reaching densities of
7 up to 6,000 zebra mussels per square foot, competing
8 with other aquatic organisms for food, killing native
9 mussels by colonizing on their shells, and clogging
10 water intakes and pipes of power plants and water
11 supply facilities resulting in millions of dollars of
12 repair and cleanup expenses; and

13 WHEREAS, the spread of zebra mussels to new bodies
14 of water can be controlled by draining water from the
15 livewell, bilge, transom well, and impeller of boats
16 before leaving water accesses, emptying bait buckets in
17 the trash instead of into a body of water, and washing
18 and drying boats, trailers, and other equipment after
19 use; NOW THEREFORE,

20 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, That
21 the House of Representatives encourages the state, its
22 agencies, and its citizens to make protection of our
23 natural resources from invasive species a priority; and

24 BE IT FURTHER RESOLVED, That the House of
25 Representatives supports and encourages efforts of the
26 Iowa Department of Agriculture and Land Stewardship
27 and the Iowa Department of Natural Resources to
28 monitor the spread of invasive species in the state
29 and to continue to research ways to eliminate or halt
30 the spread of such invasive species, and supports

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1 and encourages efforts of the public to assist in
2 protecting our state's natural resources from these
3 dangerous invaders.



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Senate File 2342

S-5235

- 1 Amend Senate File 2342 as follows:
2 1. Page 2, line 30, by striking <Twenty-five> and
3 inserting <Fifty>
4 2. Page 2, line 34, by striking <Twenty-five> and
5 inserting <Fifty>
6 3. Page 3, line 29, by striking <twenty-five> and
7 inserting <fifty>

JOE BOLKCOM



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House File 2465

S-5236

1 Amend House File 2465, as amended, passed, and
2 reprinted by the House, as follows:
3 1. By striking everything after the enacting clause
4 and inserting:

5 <DIVISION I

6 STANDING APPROPRIATIONS AND RELATED MATTERS

7 Section 1. 2011 Iowa Acts, chapter 131, section 42,
8 is amended to read as follows:

9 SEC. 42. LIMITATION OF STANDING APPROPRIATIONS.

10 Notwithstanding the standing appropriations in the
11 following designated sections for the fiscal year
12 beginning July 1, 2012, and ending June 30, 2013, the
13 amounts appropriated from the general fund of the state
14 pursuant to these sections for the following designated
15 purposes shall not exceed the following amounts:

16 1. For operational support grants and community
17 cultural grants under section 99F.11, subsection 3,
18 paragraph "d", subparagraph (1):

19 \$ 208,351
20 416,702

21 2. For regional tourism marketing under section
22 99F.11, subsection 3, paragraph "d", subparagraph (2):
23 \$ 405,153
24 810,306

25 3. ~~For the center for congenital and inherited~~
26 ~~disorders central registry under section 144.13A,~~
27 ~~subsection 4, paragraph "a":~~
28 \$ 85,560

29 4. ~~For primary and secondary child abuse prevention~~
30 ~~programs under section 144.13A, subsection 4, paragraph~~
31 ~~"a":~~
32 \$ 108,886

33 5. For programs for at-risk children under section
34 279.51:
35 \$ 5,364,446
36 10,728,891

37 The amount of any reduction in this subsection shall
38 be prorated among the programs specified in section
39 279.51, subsection 1, paragraphs "a", "b", and "c".

40 6. For payment for nonpublic school transportation
41 under section 285.2:
42 \$ 7,060,931

43 If total approved claims for reimbursement for
44 nonpublic school pupil transportation exceed the amount
45 appropriated in accordance with this subsection, the
46 department of education shall prorate the amount of
47 each approved claim.

48 7. For the enforcement of chapter 453D relating to
49 tobacco product manufacturers under section 453D.8:
50 \$ 9,208

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1 18,416
2 8. For reimbursement for the homestead property tax
3 credit under section 425.1:
4 \$ 86,188,387
5 9. For reimbursement for the family farm and
6 agricultural land tax credits under sections 425A.1 and
7 426.1:
8 \$ 32,395,131
9 DIVISION II
10 MISCELLANEOUS PROVISIONS AND APPROPRIATIONS
11 Sec. 2. DEPARTMENT OF PUBLIC HEALTH — IOWA YOUTH
12 SUICIDE PREVENTION PROGRAM. There is appropriated
13 from the general fund of the state to the department
14 of public health for the fiscal year beginning July 1,
15 2012, and ending June 30, 2013, the following amount,
16 or so much thereof as is necessary, to be used for the
17 purposes designated:
18 To contract for a program to develop an Iowa youth
19 suicide prevention program:
20 \$ 137,000
21 1. The department of public health shall issue
22 a request for proposals to select the most qualified
23 applicant that is experienced in working with the
24 target population to develop and administer an Iowa
25 youth suicide prevention program that employs a program
26 coordinator and provides for all of the following:
27 a. Administrative expenses, including but not
28 limited to facilities, communications, and professional
29 services and staff development.
30 b. School, community, and health care training for
31 specific groups identified as strategically placed to
32 enhance protective factors.
33 c. Resources and outreach, including but not
34 limited to site visits and school climate surveys, to
35 Iowa's high schools.
36 d. An antibullying internet site; internet-based
37 communications, including but not limited to texting
38 capabilities; and a telephone hotline.
39 e. Program evaluation criteria for evaluation of
40 the performance of the program administered by the
41 applicant selected.
42 2. The department shall establish a request
43 for proposals process which shall be based upon
44 specifications established under a suicide prevention
45 plan for youth who are targets of bullying, which was
46 developed in partnership with the department during the
47 2011-2012 fiscal year.
48 3. The department shall submit to the general
49 assembly a progress report on or before January 15,
50 2013, providing a detailed analysis of the program, its

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1 budgetary requirements, and the department's findings
2 and recommendations for continuation of the program.

3 Sec. 3. 2007 Iowa Acts, chapter 219, section 2,
4 subsection 2, paragraph a, as enacted by 2011 Iowa
5 Acts, chapter 133, section 32, is amended to read as
6 follows:

7 a. Notwithstanding section 8.33, moneys
8 appropriated in section 1, subsection 1, paragraphs
9 "a" and "f" of this division of this Act that remain
10 unencumbered or unobligated at the close of the fiscal
11 year for which they were appropriated shall not revert
12 but shall remain available for the purposes designated
13 until the close of the fiscal year that begins July
14 1, ~~2011~~ 2012, or until the project for which the
15 appropriation was made is completed, whichever is
16 earlier.

17 Sec. 4. 2010 Iowa Acts, chapter 1193, section 29,
18 subsection 2, as enacted by 2011 Iowa Acts, chapter
19 127, section 54, is amended to read as follows:

20 2. Notwithstanding section 8.33, moneys
21 appropriated in this section that remain unencumbered
22 or unobligated at the close of the fiscal year ending
23 June 30, 2011, shall not revert but shall remain
24 available for expenditure for the purposes designated
25 until the close of the fiscal year ending June 30, ~~2012~~
26 2013.

27 Sec. 5. 2011 Iowa Acts, chapter 127, section 72,
28 subsection 4, paragraph b, unnumbered paragraph 1, as
29 amended by 2012 Iowa Acts, Senate File 2313, section
30 13, if enacted, is amended to read as follows:

31 The department shall, in coordination with the health
32 facilities division, make the following information
33 available to the public by December 31, 2012, as part
34 of the department's development efforts to revise the
35 department's internet website:

36 Sec. 6. 2012 Iowa Acts, House File 675, section 28,
37 subsection 2, is amended to read as follows:

38 2. The notice provisions contained in this Act
39 relating to residential construction apply only
40 to material furnished or labor performed after the
41 effective date of this Act.

42 Sec. 7. NEW SECTION. 15E.71 **Executive council**
43 **action.**

44 Notwithstanding section 7D.29, subsection 1,
45 the executive council may take any action deemed
46 necessary to protect the interests of the state with
47 respect to any certificates, tax credits, entities
48 created, or action taken in relation to this division.
49 Such actions may include but are not limited to
50 initiation of legal action, commencement of special



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1 investigations, institution of special audits of any
2 involved entity, or establishment of receiverships.
3 Sec. 8. Section 16.27, subsections 4 and 5, Code
4 2011, are amended by striking the subsections.
5 Sec. 9. NEW SECTION. 17A.6A Rulemaking internet
6 site.
7 1. Subject to the direction of the administrative
8 rules coordinator, each agency shall make available to
9 the public a uniform, searchable, and user-friendly
10 rules database, published on an internet site.
11 2. An agency's rulemaking internet site shall also
12 make available to the public all of the following:
13 a. A brief summary of the rulemaking process,
14 including a description of any opportunity for public
15 participation in the process.
16 b. Process forms for filing comments or complaints
17 concerning proposed or adopted rules.
18 c. Process forms and instructions for filing a
19 petition for rulemaking, a petition for a declaratory
20 order, or a request for a waiver of an administrative
21 rule.
22 d. Any other material prescribed by the
23 administrative rules coordinator.
24 3. To the extent practicable, the administrative
25 rules coordinator shall create a uniform format for
26 rulemaking internet sites.
27 Sec. 10. Section 17A.7, subsection 2, Code 2011,
28 is amended by striking the subsection and inserting in
29 lieu thereof the following:
30 2. Beginning July 1, 2012, over each five-year
31 period of time, an agency shall conduct an ongoing
32 and comprehensive review of all of the agency's
33 rules. The goal of the review is the identification
34 and elimination of all rules of the agency that are
35 outdated, redundant, or inconsistent or incompatible
36 with statute or its own rules or those of other
37 agencies. An agency shall commence its review by
38 developing a plan of review in consultation with major
39 stakeholders and constituent groups. When the agency
40 completes its five-year review of its rules, the
41 agency shall provide a summary of the results to the
42 administrative rules coordinator and the administrative
43 rules review committee.
44 Sec. 11. Section 17A.8, subsection 4, Code 2011, is
45 amended to read as follows:
46 4. a. The committee shall ~~choose a chairperson~~
47 ~~from its membership and~~ prescribe its rules of
48 procedure. The committee may employ a secretary or may
49 appoint the administrative code editor or a designee
50 to act as secretary.

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1 b. The chairperson of the committee shall be
2 chosen as provided in this paragraph. For the term
3 commencing with the convening of the first regular
4 session of each general assembly and ending upon
5 the convening of the second regular session of that
6 general assembly, the chairperson shall be chosen by
7 the committee from its members who are members of the
8 house of representatives. For the term commencing with
9 the convening of the second regular session of each
10 general assembly and ending upon the convening of the
11 first regular session of the next general assembly,
12 the chairperson shall be chosen by the committee from
13 its members who are members of the senate. A vacancy
14 shall be filled in the same manner as the original
15 appointment and shall be for the remainder of the
16 unexpired term of the vacancy.

17 Sec. 12. Section 97A.6, subsection 7, paragraph
18 a, subparagraph (1), Code 2011, is amended to read as
19 follows:

20 (1) Should any beneficiary for either ordinary
21 or accidental disability, except a beneficiary
22 who is fifty-five years of age or over and would
23 have completed twenty-two years of service if the
24 beneficiary had remained in active service, be engaged
25 in a gainful occupation paying more than the difference
26 between the member's net retirement allowance and
27 ~~one~~ two and one-half times the current earnable
28 compensation of an active member at the same position
29 on the salary scale within the member's rank as the
30 member held at retirement, then the amount of the
31 retirement allowance shall be reduced to an amount
32 such that the member's net retirement allowance plus
33 the amount earned by the member shall equal ~~one~~ two
34 and one-half times the amount of the current earnable
35 compensation of an active member at the same position
36 on the salary scale within the member's rank as the
37 member held at retirement. Should the member's earning
38 capacity be later changed, the amount of the retirement
39 allowance may be further modified, provided that the
40 new retirement allowance shall not exceed the amount of
41 the retirement allowance originally granted adjusted by
42 annual readjustments of pensions pursuant to subsection
43 14 of this section nor an amount which would cause the
44 member's net retirement allowance, when added to the
45 amount earned by the beneficiary, to equal ~~one~~ two
46 and one-half times the amount of the current earnable
47 compensation of an active member at the same position
48 on the salary scale within the member's rank as the
49 member held at retirement. A beneficiary restored
50 to active service at a salary less than the average

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1 final compensation upon the basis of which the member
2 was retired at age fifty-five or greater, shall not
3 again become a member of the retirement system and
4 shall have the member's retirement allowance suspended
5 while in active service. If the rank or position
6 held by the retired member is subsequently abolished,
7 adjustments to the allowable limit on the amount of
8 income which can be earned in a gainful occupation
9 shall be computed in the same manner as provided in
10 subsection 14, paragraph "c", of this section for
11 readjustment of pensions when a rank or position has
12 been abolished. If the salary scale associated with a
13 member's rank at retirement is changed after the member
14 retires, earnable compensation for purposes of this
15 section shall be based upon the salary an active member
16 currently would receive at the same rank and with
17 seniority equal to that of the retired member at the
18 time of retirement. For purposes of this paragraph,
19 "net retirement allowance" means the amount determined
20 by subtracting the amount paid during the previous
21 calendar year by the beneficiary for health insurance
22 or similar health care coverage for the beneficiary
23 and the beneficiary's dependents from the amount of
24 the member's retirement allowance paid for that year
25 pursuant to this chapter. The beneficiary shall submit
26 sufficient documentation to the board of trustees
27 to permit the system to determine the member's net
28 retirement allowance for the applicable year.

29 Sec. 13. Section 97B.52A, subsection 1, paragraph
30 c, subparagraph (2), subparagraph division (b), Code
31 2011, is amended to read as follows:

32 (b) For a member whose first month of entitlement
33 is July 2004 or later, but before July ~~2012~~ 2014,
34 covered employment does not include employment as a
35 licensed health care professional by a public hospital
36 as defined in section 249J.3, with the exception of
37 public hospitals governed pursuant to chapter 226.

38 Sec. 14. Section 256C.4, subsection 1, Code 2011,
39 is amended by adding the following new paragraphs:

40 NEW PARAGRAPH. g. For the fiscal year beginning
41 July 1, 2011, and each succeeding fiscal year, of the
42 amount of preschool foundation aid received by a school
43 district for a fiscal year in accordance with section
44 257.16, not more than five percent may be used by
45 the school district for administering the district's
46 approved local program.

47 NEW PARAGRAPH. h. For the fiscal year beginning
48 July 1, 2012, and each succeeding fiscal year, of
49 the amount of preschool foundation aid received by a
50 school district for a fiscal year in accordance with

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1 section 257.16, not less than ninety-five percent
2 of the per pupil amount shall be passed through to
3 a community-based provider for each pupil enrolled
4 in the district's approved local program. For the
5 fiscal year beginning July 1, 2011, and each succeeding
6 fiscal year, not more than five percent of the
7 amount of preschool foundation aid passed through
8 to a community-based provider may be used by the
9 community-based provider for administrative costs.
10 Sec. 15. Section 257.35, subsection 7, Code
11 Supplement 2011, is amended to read as follows:
12 7. Notwithstanding subsection 1, and in addition
13 to the reduction applicable pursuant to subsection
14 2, the state aid for area education agencies and the
15 portion of the combined district cost calculated for
16 these agencies for the fiscal year beginning July 1,
17 2012, and ending June 30, 2013, shall be reduced by
18 the department of management by ~~ten~~ fifteen million
19 dollars. The reduction for each area education agency
20 shall be prorated based on the reduction that the
21 agency received in the fiscal year beginning July 1,
22 2003.
23 Sec. 16. Section 261.93, Code 2011, is amended to
24 read as follows:
25 **261.93 Program established — who qualified.**
26 1. An Iowa grant program is established.
27 2. a. A grant may be awarded to a resident of
28 Iowa who is admitted and in attendance as a full-time
29 or part-time resident student at an accredited higher
30 education institution and who establishes financial
31 need.
32 b. Top priority in awarding program grants shall
33 be given to a qualified student who is a resident of
34 Iowa; is under the age of twenty-six, or the age of
35 thirty if the student is a veteran who is eligible for
36 benefits, or has exhausted the benefits, under the
37 federal Post-9/11 Veterans Educational Assistance Act
38 of 2008; is not a convicted felon as defined in section
39 910.15; and who meets any of the following criteria:
40 (1) Is the child of a peace officer, as defined
41 in section 97A.1, who is totally and permanently
42 disabled and who receives benefits under section
43 97A.6, subsection 5, or was killed in the line of duty
44 as determined by the board of trustees of the Iowa
45 department of public safety peace officers' retirement,
46 accident, and disability system in accordance with
47 section 97A.6, subsection 16.
48 (2) Is the child of a police officer or a fire
49 fighter, as defined in section 411.1, who is totally
50 and permanently disabled and who receives benefits

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1 under section 411.6, subsection 5, or was killed in the
2 line of duty as determined by the statewide fire and
3 police retirement system in accordance with section
4 411.6, subsection 15.

5 (3) Is the child of a sheriff or deputy sheriff
6 as defined in section 97B.49C, who is totally and
7 permanently disabled and who receives an in-service
8 disability retirement allowance under section 97B.50A,
9 subsection 2, or was killed in the line of duty as
10 determined by the Iowa public employees' retirement
11 system in accordance with section 97B.52, subsection 2.

12 3. Grants awarded shall be distributed to the
13 appropriate accredited higher education institution for
14 payment of educational expenses, including tuition,
15 room, board, and mandatory fees, with any balance to
16 be distributed to the student for whom the grant is
17 awarded.

18 Sec. 17. Section 261.93A, Code 2011, is amended to
19 read as follows:

20 **261.93A Appropriation — percentages.**

21 1. Of the funds appropriated to the college student
22 aid commission to be allocated for the Iowa grant
23 program for each fiscal year, ~~thirty-seven~~ moneys shall
24 be distributed for grants awarded to qualified students
25 who meet the criteria established pursuant to section
26 261.93, subsection 2, and the funds remaining shall be
27 distributed as follows:

28 a. ~~Thirty-seven~~ and six-tenths percent shall be
29 reserved for students attending regents institutions,
30 ~~twenty-five.~~

31 b. ~~Twenty-five~~ and nine-tenths percent shall be
32 reserved for students attending community colleges, ~~and~~
33 ~~thirty-six.~~

34 c. ~~Thirty-six~~ and five-tenths percent shall be
35 reserved for students attending private colleges and
36 universities.

37 2. Funds appropriated for the Iowa grant program
38 shall be used to supplement, not supplant, funds
39 appropriated for other existing programs at the
40 eligible institutions.

41 Sec. 18. Section 261.95, subsection 1, Code 2011,
42 is amended to read as follows:

43 1. The amount of a grant to a qualified full-time
44 student for an academic year shall be ~~the~~ as follows:

45 a. For a student who qualifies under section
46 261.93, subsection 2, paragraph "a", the lesser of the
47 student's financial need for that period or up to one
48 thousand dollars.

49 b. For a student who qualifies under section
50 261.93, subsection 2, paragraph "b", the lesser of

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1 the student's financial need for that period or not
2 more than the resident tuition rate established for
3 institutions of higher learning under the control of
4 the state board of regents.

5 Sec. 19. Section 262.34, subsection 1, Code 2011,
6 is amended to read as follows:

7 1. When the estimated cost of construction,
8 repairs, or improvement of buildings or grounds under
9 charge of the state board of regents exceeds one
10 hundred thousand dollars, the board shall advertise for
11 bids for the contemplated improvement or construction
12 and shall let the work to the lowest responsible
13 bidder. However, if in the judgment of the board bids
14 received are not acceptable, the board may reject all
15 bids and proceed with the construction, repair, or
16 improvement by a method as the board may determine.
17 ~~All plans and specifications bid documents~~ for repairs
18 or construction, together with bids on the ~~plans or~~
19 ~~specifications bid documents~~, shall be filed by the
20 board and be open for public inspection. All bids
21 submitted under this section shall be accompanied by a
22 deposit of money, a certified check, or a credit union
23 certified share draft in an amount as the board may
24 prescribe.

25 Sec. 20. Section 321.20B, subsection 6, Code 2011,
26 is amended to read as follows:

27 6. This section does not apply to a ~~snowmobile or~~
28 ~~all-terrain vehicle or to a~~ motor vehicle identified in
29 section 321.18, ~~subsections 1 through 6, and subsection~~
30 ~~1, 2, 3, 4, 5, 6, or 8.~~

31 Sec. 21. NEW SECTION. 327F.21 Railroad worker
32 walkways.

33 The state department of transportation shall adopt
34 rules requiring the provision of safe walkways for
35 railroad workers in areas where work is regularly
36 performed on the ground.

37 Sec. 22. Section 418.4, subsection 3, paragraph b,
38 as enacted by 2012 Iowa Acts, Senate File 2217, section
39 5, is amended to read as follows:

40 b. For projects proposing to use sales tax
41 increment revenues or approved by the board to use
42 sales tax increment revenues, the project, or an
43 earlier phase of the project, has been approved to
44 receive financial assistance in an amount equal to
45 at least twenty percent of the total project cost or
46 thirty million dollars, whichever is less, under a
47 financial assistance program administered by the United
48 States environmental protection agency, the federal
49 Water Resources Development Act, the federal Clean
50 Water Act as defined in section 455B.291, or other

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1 federal program providing assistance specifically for
2 hazard mitigation.

3 Sec. 23. Section 422.11D, subsection 2, Code 2011,
4 is amended to read as follows:

5 2. An individual may claim a historic preservation
6 and cultural and entertainment district tax credit
7 allowed a partnership, limited liability company, S
8 corporation, estate, or trust electing to have the
9 income taxed directly to the individual. The For
10 projects beginning before July 1, 2012, the amount
11 claimed by the individual shall be based upon the
12 pro rata share of the individual's earnings of a
13 partnership, limited liability company, S corporation,
14 estate, or trust except when low-income housing tax
15 credits authorized under section 42 of the Internal
16 Revenue Code are used to assist in the financing
17 of the housing development in which case the amount
18 claimed by a partner if the business is a partnership,
19 a shareholder if the business is an S corporation,
20 or a member if the business is a limited liability
21 company shall be based on the amounts designated by
22 the eligible partnership, S corporation, or limited
23 liability company. For projects beginning on or
24 after July 1, 2012, the amount claimed by a partner
25 if the business is a partnership, a shareholder if
26 the business is an S corporation, or a member if the
27 business is a limited liability company shall be based
28 on the amounts designated by the eligible partnership,
29 S corporation, or limited liability company.

30 Sec. 24. Section 507.14, subsection 4, Code 2011,
31 is amended to read as follows:

32 4. Confidential documents, materials, information,
33 administrative or judicial orders, or other actions may
34 be disclosed to a regulatory official of any state,
35 federal agency, or foreign country provided that the
36 recipients are required, under their law, to maintain
37 their confidentiality. Confidential records may be
38 disclosed to the national association of insurance
39 commissioners, the international association of
40 insurance supervisors, and the bank for international
41 settlements provided that the ~~association certifies~~
42 associations and bank certify by written statement that
43 the confidentiality of the records will be maintained.

44 Sec. 25. **NEW SECTION. 514C.29 Services provided by**
45 **a doctor of chiropractic.**

46 1. Notwithstanding the uniformity of treatment
47 requirements of section 514C.6, a policy, contract, or
48 plan providing for third-party payment or prepayment of
49 health or medical expenses shall not impose a copayment
50 or coinsurance amount on an insured for services

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1 provided by a doctor of chiropractic licensed pursuant
2 to chapter 151 that is greater than the copayment
3 or coinsurance amount imposed on the insured for
4 services provided by a person engaged in the practice
5 of medicine and surgery or osteopathic medicine and
6 surgery under chapter 148 for the same or a similar
7 diagnosed condition even if a different nomenclature is
8 used to describe the condition for which the services
9 are provided.
10 2. This section applies to the following classes
11 of third-party payment provider policies, contracts,
12 or plans delivered, issued for delivery, continued, or
13 renewed in this state on or after July 1, 2012:
14 a. Individual or group accident and sickness
15 insurance providing coverage on an expense-incurred
16 basis.
17 b. An individual or group hospital or medical
18 service contract issued pursuant to chapter 509, 514,
19 or 514A.
20 c. An individual or group health maintenance
21 organization contract regulated under chapter 514B.
22 d. A plan established pursuant to chapter 509A for
23 public employees.
24 e. An organized delivery system licensed by the
25 director of public health.
26 3. This section shall not apply to accident-only,
27 specified disease, short-term hospital or medical,
28 hospital confinement indemnity, credit, dental, vision,
29 Medicare supplement, long-term care, basic hospital
30 and medical-surgical expense coverage as defined
31 by the commissioner, disability income insurance
32 coverage, coverage issued as a supplement to liability
33 insurance, workers' compensation or similar insurance,
34 or automobile medical payment insurance.
35 Sec. 26. REPEAL. 2012 Iowa Acts, House File 2168,
36 section 5, is repealed.
37 Sec. 27. HOUSING ENTERPRISE ZONE TAX CREDIT
38 ISSUANCE.
39 1. Notwithstanding section 15E.193B, subsection 4,
40 the authority may issue a tax credit to an eligible
41 housing business for a project not completed within two
42 years from the time the business began construction if
43 a city failed to file the appropriate paperwork with
44 the authority requesting an extension for the project
45 pursuant to section 15E.193B, subsection 4.
46 2. The authorization described in subsection 1 only
47 applies to projects for which a city failed to file
48 an extension between January 1, 2007, and January 1,
49 2008, and only to benefits earned for a project between
50 February 8, 2005, and February 8, 2008.

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1 Sec. 28. CODE EDITOR DIRECTIVE. Sections 572.1,
2 572.8, 572.10, 572.13, 572.18, 572.22, and 572.24, Code
3 and Code Supplement 2011, as amended by 2012 Iowa Acts,
4 House File 675, sections 2, 4, 6, 8, 15, 16, and 18, if
5 enacted, are amended as follows:
6 1. By striking from the sections the words "state
7 construction registry" and inserting in lieu thereof
8 the words "mechanics' notice and lien registry".
9 Sec. 29. CODE EDITOR DIRECTIVE. Sections 572.13A,
10 572.13B, and 572.34, if enacted by 2012 Iowa Acts,
11 House File 675, sections 9, 10, and 25, are amended as
12 follows:
13 1. By striking from the sections the words "state
14 construction registry" and inserting in lieu thereof
15 the words "mechanics' notice and lien registry".
16 Sec. 30. EFFECTIVE UPON ENACTMENT. The following
17 provision or provisions of this division of this Act,
18 being deemed of immediate importance, take effect upon
19 enactment:
20 1. The section of this division of this Act
21 enacting section 15E.71.
22 2. The section of this division of this Act
23 enacting section 256C.4, subsection 1, paragraphs "g"
24 and "h".
25 3. The section of this division of this Act
26 amending section 418.4, subsection 3, paragraph "b", as
27 enacted by 2012 Iowa Acts, Senate File 2217, section 5.
28 4. The section of this division of this Act
29 amending 2010 Iowa Acts, chapter 1193, section 29,
30 subsection 2, as enacted by 2011 Iowa Acts, chapter
31 127, section 54.
32 5. The section of this division of this Act
33 amending 2007 Iowa Acts, chapter 219, section 2,
34 subsection 2, paragraph a, as enacted by 2011 Iowa
35 Acts, chapter 133, section 32.
36 Sec. 31. EFFECTIVE DATE. The sections of this
37 division of this Act amending sections 572.1, 572.8,
38 572.10, 572.13, 572.13A, 572.13B, 572.18, 572.22,
39 572.24, and 572.34, take effect January 1, 2013.
40 Sec. 32. RETROACTIVE APPLICABILITY. The following
41 provision or provisions of this division of this Act
42 apply retroactively to April 19, 2012:
43 1. The section of this division of this Act
44 amending section 418.4, subsection 3, paragraph "b", as
45 enacted by 2012 Iowa Acts, Senate File 2217, section 5.
46 DIVISION III
47 CORRECTIVE PROVISIONS
48 Sec. 33. Section 9B.2, subsection 10, paragraph a,
49 if enacted by 2012 Iowa Acts, Senate File 2265, section
50 2, is amended to read as follows:

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1 *a. "Personal appearance"* means an act of a party
2 to physically appear within the presence of a ~~notary~~
3 ~~public~~ notarial officer at the time the ~~notarization~~
4 ~~occurs~~ notarial act is performed.
5 Sec. 34. Section 105.2, subsection 8, Code
6 Supplement 2011, as amended by 2012 Iowa Acts, House
7 File 2285, section 1, if enacted, is amended to read
8 as follows:
9 8. "*Hydronic*" means a heating or cooling system
10 that transfers heating or cooling by circulating fluid
11 through a closed system, including boilers, pressure
12 vessels, refrigerated equipment in connection with
13 chilled water systems, all steam piping, hot or chilled
14 water piping together with all control devices and
15 accessories, installed as part of, or in connection
16 with, any heating or cooling system or appliance whose
17 primary purpose is to provide comfort using a liquid,
18 water, or steam as the heating or cooling media.
19 "*Hydronic*" includes all low-pressure and high-pressure
20 systems and all natural, propane, liquid propane, or
21 other gas lines associated with any component of a
22 hydronic system. For purposes of this definition,
23 "*primary purpose is to provide comfort*" means a system
24 or appliance in which at least fifty-one percent of
25 the capacity generated by its operation, on an annual
26 average, is dedicated to comfort heating or cooling.
27 Sec. 35. Section 135.156E, subsection 1, paragraph
28 b, if enacted by 2012 Iowa Acts, Senate File 2318,
29 section 14, is amended to read as follows:
30 *b.* Require authentication controls to verify the
31 ~~identify~~ identity and role of the participant using the
32 Iowa health information network.
33 Sec. 36. Section 135C.6, subsection 8, paragraphs a
34 and b, Code 2011, as amended by 2012 Iowa Acts, Senate
35 File 2247, section 15, are amended to read as follows:
36 *a.* Residential programs providing care to not more
37 than four individuals and receiving moneys appropriated
38 to the department of human services under provisions of
39 a federally approved home and community-based services
40 waiver for persons with ~~an intellectual disabilities~~
41 disability or other medical assistance program under
42 chapter 249A. In approving a residential program under
43 this paragraph, the department of human services shall
44 consider the geographic location of the program so as
45 to avoid an overconcentration of such programs in an
46 area. In order to be approved under this paragraph, a
47 residential program shall not be required to involve
48 the conversion of a licensed residential care facility
49 for persons with an intellectual disability.
50 *b.* Not more than forty residential care facilities

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1 for persons with an intellectual disability that are
2 licensed to serve not more than five individuals may
3 be authorized by the department of human services
4 to convert to operation as a residential program
5 under the provisions of a medical assistance home and
6 community-based services waiver for persons with an
7 intellectual ~~disabilities~~ disability. A converted
8 residential program operating under this paragraph
9 is subject to the conditions stated in paragraph "a"
10 except that the program shall not serve more than five
11 individuals.

12 Sec. 37. Section 144D.3, subsection 4, as enacted
13 by 2012 Iowa Acts, House File 2165, section 4, is
14 amended to read as follows:

15 4. In the absence of actual notice of the
16 revocation of a POST form, a health care provider,
17 hospital, health care facility, or any other person who
18 complies with a POST form shall not be subject to civil
19 or criminal liability or professional disciplinary
20 action for actions taken under this chapter which are
21 in accordance with reasonable medical standards. A
22 health care provider, hospital, health care facility,
23 or other person against whom criminal or civil
24 liability or professional disciplinary action is
25 asserted because of conduct in compliance with this
26 chapter may interpose the restriction on liability in
27 this ~~paragraph~~ subsection as an absolute defense.

28 Sec. 38. Section 152B.2, subsection 1, paragraph
29 a, subparagraph (2), Code 2011, as amended by 2012
30 Iowa Acts, Senate File 2248, section 2, if enacted, is
31 amended to read as follows:

32 (2) Direct and indirect respiratory care services
33 including but not limited to the administration of
34 pharmacological and diagnostic and therapeutic agents
35 related to respiratory care procedures necessary to
36 implement a treatment, disease prevention, pulmonary
37 rehabilitative, or diagnostic regimen prescribed by a
38 licensed physician, ~~or~~ surgeon, or a qualified health
39 care professional prescriber.

40 Sec. 39. Section 152B.3, subsection 1, unnumbered
41 paragraph 1, Code 2011, as amended by 2012 Iowa Acts,
42 Senate File 2248, section 5, if enacted, is amended to
43 read as follows:

44 The performance of respiratory care shall be
45 in accordance with the prescription of a licensed
46 physician, ~~or~~ surgeon, or a qualified health care
47 professional prescriber and includes but is not limited
48 to the diagnostic and therapeutic use of the following:

49 Sec. 40. Section 152B.3, subsection 2, Code 2011,
50 as amended by 2012 Iowa Acts, Senate File 2248, section

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1 6, if enacted, is amended to read as follows:

2 2. A respiratory care practitioner may transcribe
3 and implement a written or verbal order from a licensed
4 physician, or surgeon, or a qualified health care
5 professional prescriber pertaining to the practice of
6 respiratory care.

7 Sec. 41. Section 152B.4, Code 2011, as amended
8 by 2012 Iowa Acts, Senate File 2248, section 7, if
9 enacted, is amended to read as follows:

10 **152B.4 Location of respiratory care.**

11 The practice of respiratory care may be performed
12 in a hospital as defined in section 135B.1, subsection
13 3, and other settings where respiratory care is to
14 be provided in accordance with a prescription of a
15 licensed physician, or surgeon, or a qualified health
16 care professional prescriber. Respiratory care may
17 be provided during transportation of a patient and
18 under circumstances where an emergency necessitates
19 respiratory care.

20 Sec. 42. Section 161A.63, Code 2011, as amended
21 by 2012 Iowa Acts, Senate File 2311, section 16, if
22 enacted, is amended to read as follows:

23 **161A.63 Right of purchaser of agricultural land to**
24 **obtain information.**

25 A prospective purchaser of an interest in
26 agricultural land located in this state is entitled
27 to obtain from the seller, or from the office of the
28 soil and water conservation district in which the land
29 is located, a copy of the most recently updated farm
30 unit soil conservation plan, developed pursuant to
31 section 161A.62, subsection 2, which are is applicable
32 to the agricultural land proposed to be purchased. A
33 prospective purchaser of an interest in agricultural
34 land located in this state is entitled to obtain
35 additional copies of ~~either or both~~ of the documents
36 document referred to in this section from the office of
37 the soil and water conservation district in which the
38 land is located, promptly upon request, at a fee not to
39 exceed the cost of reproducing them. All persons who
40 identify themselves to the commissioners or staff of
41 a soil and water conservation district as prospective
42 purchasers of agricultural land in the district shall
43 be given information, prepared in accordance with
44 rules of the department, which clearly explains the
45 provisions of section 161A.76.

46 Sec. 43. Section 203C.14, Code 2011, as amended
47 by 2012 Iowa Acts, Senate File 2311, section 107, if
48 enacted, is amended to read as follows:

49 **203C.14 Suit — claims — notice of revocation.**

50 1. A person injured by the breach of an obligation

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1 of a warehouse operator, for the performance of which a
2 bond on agricultural products other than bulk grain, a
3 deficiency bond, or an irrevocable letter of credit has
4 been given under any of the provisions of this chapter,
5 may sue on the bond on agricultural products other than
6 bulk grain, deficiency bond, or irrevocable letter of
7 credit in the person's own name in a court of competent
8 jurisdiction to recover any damages the person has
9 sustained by reason of the breach.

10 2. *a.* Upon the cessation of a warehouse operator's
11 license due to revocation, cancellation, or expiration,
12 a claim against the warehouse operator arising
13 under this chapter shall be made in writing with
14 the warehouse operator, with the issuer of a bond
15 on agricultural products other than bulk grain, a
16 deficiency bond, or an irrevocable letter of credit,
17 and, if the claim relates to bulk grain, with the
18 department. The claim must be made within one hundred
19 twenty days after the cessation of the license. The
20 failure to make a timely claim relieves the issuer
21 and, if the claim relates to bulk grain, the grain
22 depositors and sellers indemnity fund provided in
23 chapter 203D of all obligations to the claimant.

24 ~~3.~~ *b.* Upon revocation of a warehouse license, the
25 department shall cause notice of the revocation to be
26 published once each week for two consecutive weeks
27 in a newspaper of general circulation in each of the
28 counties in which the licensee maintains a business
29 location and in a newspaper of general circulation
30 within the state. The notice shall state the name and
31 address of the warehouse operator and the effective
32 date of revocation. The notice shall also state that
33 any claims against the warehouse operator shall be made
34 in writing and sent by ordinary mail to the warehouse
35 operator, to the issuer of a bond on agricultural
36 products other than bulk grain, deficiency bond, or an
37 irrevocable letter of credit, and to the department
38 within one hundred twenty days after revocation, and
39 the notice shall state that the failure to make a
40 timely claim does not relieve the warehouse operator
41 from liability to the claimant.

42 *c.* ~~This paragraph~~ subsection does not apply if
43 a receiver is appointed as provided in this chapter
44 pursuant to a petition which is filed by the department
45 prior to the expiration of one hundred twenty days
46 after ~~revocation, termination, or cancellation~~
47 cessation of warehouse operator's license.

48 Sec. 44. Section 249A.12, subsection 5, paragraph
49 a, unnumbered paragraph 1, Code 2011, as amended by
50 2012 Iowa Acts, Senate File 2247, section 101, is

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1 amended to read as follows:

2 The mental health and disability services commission
3 shall recommend to the department the actions necessary
4 to assist in the transition of individuals being served
5 in an intermediate care facility for persons with
6 an intellectual disability, who are appropriate for
7 the transition, to services funded under a medical
8 assistance home and community-based services waiver
9 for persons with an intellectual disability in a
10 manner which maximizes the use of existing public and
11 private facilities. The actions may include but are
12 not limited to submitting any of the following or
13 a combination of any of the following as a request
14 for a revision of the medical assistance home and
15 community-based services waiver for persons with an
16 intellectual ~~disabilities~~ disability:

17 Sec. 45. Section 261.115, subsection 3, paragraphs
18 c and d, if enacted by 2012 Iowa Acts, House File 2458,
19 section 1, are amended to read as follows:

20 c. Complete ~~their~~ the residency program requirement
21 with an Iowa-based residency program.

22 d. Within nine months of graduating from ~~their~~ the
23 residency program and receiving a permanent license in
24 accordance with paragraph "b", engage in the full-time
25 practice of medicine and surgery or osteopathic
26 medicine and surgery specializing in family medicine,
27 pediatrics, psychiatry, internal medicine, or general
28 surgery for a period of sixty consecutive months in the
29 service commitment area specified under subsection 6,
30 unless the loan repayment recipient receives a waiver
31 from the commission to complete the months of practice
32 required under the agreement in another service
33 commitment area pursuant to subsection 6.

34 Sec. 46. Section 261.115, subsection 8, if enacted
35 by 2012 Iowa Acts, House File 2458, section 1, is
36 amended to read as follows:

37 8. *Part-time practice — agreement amended.* A
38 person who entered into an agreement pursuant to
39 subsection 3 may apply to the commission to amend the
40 agreement to allow the person to engage in less than
41 the full-time practice specified in the agreement and
42 under subsection 3, paragraph "d". If the commission
43 determines exceptional circumstances exist, the
44 commission and the person may consent to amend the
45 agreement under which the person shall engage in less
46 than full-time practice of medicine and surgery or
47 osteopathic medicine and surgery specializing in family
48 medicine, pediatrics, psychiatry, internal medicine,
49 or general surgery in a service commitment area for
50 an extended period of part-time practice determined

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1 by the commission to be proportional to the amount
2 of full-time practice remaining under the original
3 agreement.
4 Sec. 47. Section 261.115, subsection 9, paragraph
5 b, if enacted by 2012 Iowa Acts, House File 2458,
6 section 1, is amended to read as follows:
7 b. Except for a postponement under paragraph "a",
8 subparagraph (6), an obligation to engage in practice
9 under an agreement entered into pursuant to subsection
10 3, shall not be postponed for more than two years from
11 the time the full-time practice was to have commenced
12 under the agreement.
13 Sec. 48. Section 273.2, subsection 3, Code
14 Supplement 2011, as amended by 2012 Iowa Acts, Senate
15 File 2203, section 38, if enacted, is amended to read
16 as follows:
17 3. The area education agency board shall furnish
18 educational services and programs as provided in
19 sections section 273.1, this section, sections 273.3
20 to 273.9, and chapter 256B to the pupils enrolled
21 in public or nonpublic schools located within its
22 boundaries which are on the list of accredited schools
23 pursuant to section 256.11. The programs and services
24 provided shall be at least commensurate with programs
25 and services existing on July 1, 1974. The programs
26 and services provided to pupils enrolled in nonpublic
27 schools shall be comparable to programs and services
28 provided to pupils enrolled in public schools within
29 constitutional guidelines.
30 Sec. 49. Section 321.188, subsection 6, paragraph
31 c, if enacted by 2012 Iowa Acts, House File 2403,
32 section 1, is amended to read as follows:
33 c. An applicant who obtains a skills test waiver
34 under this subsection shall take and successfully pass
35 the knowledge test required pursuant to subsection 2 1.
36 Sec. 50. Section 321.323A, subsection 3, paragraph
37 c, subparagraph (1), if enacted by 2012 Iowa Acts,
38 House File 2228, section 3, is amended to read as
39 follows:
40 (1) For a violation causing damage to the property
41 of another person, but not resulting in bodily injury
42 to or death of ~~to~~ another person, the department shall
43 suspend the violator's driver's license or operating
44 privileges for ninety days.
45 Sec. 51. Section 321.457, subsection 2, paragraph
46 n, subparagraph (4), if enacted by 2012 Iowa Acts,
47 House File 2428, section 1, is amended to read as
48 follows:
49 (4) For purposes of this paragraph "n", "full
50 trailer" means as defined in 49 C.F.R. § ~~390~~ 390.5.

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1 Sec. 52. Section 321I.7, subsection 3, Code 2011,
2 as amended by 2012 Iowa Acts, House File 2467, section
3 39, is amended to read as follows:

4 3. Duplicate registrations may be issued by a
5 county recorder or a license agent ~~and~~ upon the payment
6 of a five dollar fee plus a writing fee as provided in
7 section 321I.29.

8 Sec. 53. Section 322.5, subsection 6, paragraph b,
9 subparagraph (2), if enacted by 2012 Iowa Acts, Senate
10 File 2249, section 4, is amended to read as follows:

11 (2) The state in which the person is licensed as
12 a motor vehicle dealer allows a motor vehicle dealer
13 licensed in Iowa to be issued a permit substantially
14 similar to the temporary permit authorized under this
15 ~~section~~ subsection.

16 Sec. 54. Section 326.3, subsection 19, if enacted
17 by 2012 Iowa Acts, Senate File 2216, section 18, is
18 amended to read as follows:

19 19. "*Operational records*" means source documents
20 that evidence distance traveled by a fleet in each
21 member jurisdiction, such as ~~fuel~~ fuel reports, trip
22 sheets, and driver logs, including those which may
23 be generated through on-board devices and maintained
24 electronically, as required by the audit procedures
25 manual.

26 Sec. 55. Section 418.4, subsection 1, paragraph b,
27 if enacted by 2012 Iowa Acts, Senate File 2217, section
28 5, is amended to read as follows:

29 b. A governmental entity as defined in section
30 418.1, subsection 4, paragraph "c", shall have the
31 power to construct, acquire, own, repair, improve,
32 operate, and maintain a project, may sue and be sued,
33 contract, and acquire and hold real and personal
34 property, subject to the limitation in paragraph "c",
35 and shall have such other powers as may be included in
36 the chapter 28E agreement. Such a governmental entity
37 may contract with a city or the county participating in
38 the chapter 28E agreement to perform any governmental
39 service, activity, or undertaking that the city or
40 county is authorized by law to perform, including but
41 not limited to contracts for administrative services.

42 Sec. 56. Section 418.5, subsection 7, if enacted by
43 2012 Iowa Acts, Senate File 2217, section 6, is amended
44 to read as follows:

45 7. A majority of the ~~board~~ voting members
46 constitutes a quorum.

47 Sec. 57. Section 418.9, subsection 2, paragraph g,
48 if enacted by 2012 Iowa Acts, Senate File 2217, section
49 10, is amended to read as follows:

50 g. Whether the project plan is consistent with

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1 the applicable comprehensive, ~~countywide~~ emergency
2 operations plan in effect and other applicable local
3 hazard mitigation plans.

4 Sec. 58. Section 504.719, subsection 3, as enacted
5 by 2012 Iowa Acts, Senate File 2260, section 8, is
6 amended to read as follows:

7 3. An inspector may, but is not required to, be a
8 director, ~~member of a designated body~~, member, officer,
9 or employee of the corporation. A person who is a
10 candidate for an office to be filled at the meeting
11 shall not be an inspector at that meeting.

12 Sec. 59. Section 508.37, subsection 5, paragraph c,
13 Code 2011, as amended by 2012 Iowa Acts, Senate File
14 2203, section 105, if enacted, is amended to read as
15 follows:

16 c. The adjusted premiums for a policy providing
17 term insurance benefits by rider or supplemental policy
18 provision shall be equal to (1) the adjusted premiums
19 for an otherwise similar policy issued at the same age
20 without such term insurance benefits, increased during
21 the period for which premiums for such term insurance
22 benefits are payable, by (2) the adjusted premiums
23 for such term insurance, the foregoing items (1) and
24 (2) being calculated separately and as specified in
25 paragraphs "a" and "b" of this subsection except that,
26 for the purposes of ~~of~~ paragraph "a", subparagraph
27 (1), subparagraph divisions (b), (c), and (d), the
28 amount of insurance or equivalent uniform amount of
29 insurance used in the calculation of the adjusted
30 premiums referred to in item (2) in this paragraph
31 shall be equal to the excess of the corresponding
32 amount determined for the entire policy over the amount
33 used in the calculation of the adjusted premiums in
34 item (1) in this paragraph.

35 Sec. 60. Section 515I.1, subsection 2, if enacted
36 by 2012 Iowa Acts, House File 2145, section 1, is
37 amended to read as follows:

38 2. This ~~division~~ chapter shall be liberally
39 construed to promote these purposes.

40 Sec. 61. Section 536A.10, Code 2011, as amended
41 by 2012 Iowa Acts, Senate File 2203, section 139, if
42 enacted, is amended to read as follows:

43 536A.10 Issuance of license.

44 1. If The superintendent shall approve the
45 application and issue to the applicant a license
46 to engage in the industrial loan business in
47 accordance with the provisions of this chapter, if the
48 superintendent shall find:

49 a. That the financial responsibility, experience,
50 character and general fitness of the applicant and

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1 of the officers thereof are such as to command the
2 confidence of the community, and to warrant the belief
3 that the business will be operated honestly, fairly and
4 efficiently within the purpose of this chapter;
5 **b.** That a reasonable necessity exists for a new
6 industrial loan company in the community to be served;
7 **c.** That the applicant has available for the
8 operation of the business at the specified location
9 paid-in capital and surplus as required by section
10 536A.8; and
11 **d.** That the applicant is a corporation organized
12 for pecuniary profit under the laws of the state of
13 Iowa.
14 2. ~~The superintendent shall approve the application~~
15 ~~and issue to the applicant a license to engage in~~
16 ~~the industrial loan business in accordance with the~~
17 ~~provisions of this chapter.~~ The superintendent shall
18 approve or deny an application for a license within one
19 hundred twenty days from the date of the filing of such
20 application.
21 Sec. 62. Section 602.9202, subsection 4, Code 2011,
22 as amended by 2012 Iowa Acts, Senate File 2285, section
23 106, is amended to read as follows:
24 4. *"Senior judge retirement age"* means seventy-eight
25 years of age or, if the senior judge is reappointed as
26 a senior judge for an additional one-year term upon
27 attaining seventy-eight years of age, and then to a
28 succeeding one-year term, pursuant to section 602.9203,
29 eighty years of age.
30 Sec. 63. Section 617.11, subsection 3, unnumbered
31 paragraph 1, if enacted by 2012 Iowa Acts, House File
32 2370, section 1, is amended to read as follows:
33 If a claim of interest against the property is
34 acquired prior to the indexing of a petition or
35 municipal infraction citation affecting real estate
36 and filed by a city and such claim is not indexed or
37 filed of record prior to the indexing of the petition
38 or citation, it is subject to the pending action
39 as provided in subsection 1, unless either of the
40 following occurs:
41 Sec. 64. EFFECTIVE DATE. The section of this
42 division of this Act amending section 9B.2, subsection
43 10, paragraph a, takes effect January 1, 2013.
44 Sec. 65. EFFECTIVE UPON ENACTMENT. The section
45 of this division of this Act amending section 105.2,
46 subsection 8, being deemed of immediate importance,
47 takes effect upon enactment.
48 Sec. 66. RETROACTIVE APPLICABILITY. The section
49 of this division of this Act amending section 105.2,
50 subsection 8, applies retroactively to the effective

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1 date of 2012 Iowa Acts, House File 2285.

2 Sec. 67. EFFECTIVE UPON ENACTMENT. The section of
3 this division of this Act amending section 135.156E,
4 subsection 1, paragraph b, being deemed of immediate
5 importance, takes effect upon enactment.

6 Sec. 68. RETROACTIVE APPLICABILITY. The section of
7 this division of this Act amending section 135.156E,
8 subsection 1, paragraph b, applies retroactively to the
9 effective date of 2012 Iowa Acts, Senate File 2318.

10 Sec. 69. EFFECTIVE UPON ENACTMENT. The section
11 of this division of this Act amending section 322.5,
12 subsection 6, paragraph "b", subparagraph (2), being
13 deemed of immediate importance, takes effect upon
14 enactment.

15 Sec. 70. RETROACTIVE APPLICABILITY. The section
16 of this division of this Act amending section 322.5,
17 subsection 6, paragraph "b", subparagraph (2), applies
18 retroactively to the effective date of 2012 Iowa Acts,
19 Senate File 2249.

20 Sec. 71. EFFECTIVE UPON ENACTMENT. The sections
21 of this division of this Act amending section 418.4,
22 subsection 1, paragraph b, section 418.5, subsection
23 7, and section 418.9, subsection 2, paragraph g,
24 being deemed of immediate importance, take effect upon
25 enactment.

26 Sec. 72. RETROACTIVE APPLICABILITY. The sections
27 of this division of this Act amending section 418.4,
28 subsection 1, paragraph b, section 418.5, subsection
29 7, and section 418.9, subsection 2, paragraph g, apply
30 retroactively to the effective date of 2012 Iowa Acts,
31 Senate File 2217.

32 Sec. 73. EFFECTIVE UPON ENACTMENT. The section
33 of this division of this Act amending section 515I.1,
34 subsection 2, being deemed of immediate importance,
35 takes effect upon enactment.

36 Sec. 74. RETROACTIVE APPLICABILITY. The section
37 of this division of this Act amending section 515I.1,
38 subsection 2, applies retroactively to the effective
39 date of 2012 Iowa Acts, House File 2145.

40 DIVISION IV

41 CARRY FORWARD APPROPRIATIONS

42 Sec. 75. IOWA STATE MEMORIAL — RESTORATION. There
43 is appropriated from the general fund of the state to
44 the department of cultural affairs for the fiscal year
45 beginning July 1, 2011, and ending June 30, 2012, the
46 following amount, or so much thereof as is necessary,
47 to be used for the purposes designated:

48 For the preservation and restoration of the Iowa
49 state memorial at Vicksburg national military park:
50 \$ 320,000

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1 Notwithstanding section 8.33, moneys appropriated in
2 this section that remain unencumbered or unobligated
3 at the close of the fiscal year shall not revert but
4 shall remain available for expenditure for the purposes
5 designated until the close of the fiscal year that
6 begins July 1, 2013.

7 Sec. 76. MALCOLM PRICE LABORATORY SCHOOL.

8 1. INTERIM STUDY.

9 a. The legislative council is requested to
10 establish an interim study committee for the 2012
11 legislative interim to study the method of education
12 and training persons who are attending an institution
13 under the control of the board of regents with the
14 intent to become a prekindergarten through grade twelve
15 school educator. The study shall include but is not
16 limited to:

17 (1) A review and analysis of the educational
18 methods used in a laboratory school, such as the
19 Malcolm Price laboratory school on the campus of
20 the university of northern Iowa, to enhance the
21 preparation, training, and professional competence of
22 the educators in this state.

23 (2) A review and analysis of the education methods,
24 which are alternatives to those applied in a laboratory
25 school, used to enhance the preparation, training, and
26 professional competence of the educators in this state.

27 (3) A comprehensive financial analysis of the costs
28 of the methods presented for review and analysis under
29 this lettered paragraph.

30 (4) Such other matters as the legislative members
31 of the committee determine are in the best interest of
32 the state to enhance the preparation and professional
33 competence of the educators in this state.

34 b. In addition to legislative members, the
35 membership of the interim study committee shall include
36 the following public members:

37 (1) Three persons with expertise in the
38 preparation, training, and professional competence of
39 prekindergarten through grade twelve educators. One
40 member shall be appointed by the board of education.
41 One member shall be appointed by the board of regents.
42 One member shall be appointed by the dean of the
43 department of education at the university of northern
44 Iowa.

45 (2) Three public members appointed by the
46 legislative council including one person who is a
47 graduate of the Malcolm Price laboratory school on the
48 university of northern Iowa campus, one person who is
49 a prekindergarten through grade twelve educator in the
50 Cedar Falls community school district, and one person

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1 who is an administrator of a prekindergarten through
2 grade twelve school in the Cedar Falls community school
3 district.

4 c. The committee shall meet at least twice during
5 the 2012 legislative interim and shall submit findings
6 and any recommendations in a report for consideration
7 during the 2013 session of the general assembly.

8 2. APPROPRIATION. There is appropriated from
9 the general fund of the state to the state board of
10 regents for the fiscal year beginning July 1, 2011, and
11 ending June 30, 2012, the following amount, or so much
12 thereof as is necessary, to be used for the purposes
13 designated:

14 For the Malcolm Price laboratory school at the
15 university of northern Iowa during the fiscal year
16 beginning July 1, 2012:

17 \$ 3,000,000

18 Notwithstanding section 8.33, moneys appropriated in
19 this subsection that remain unencumbered or unobligated
20 at the close of the fiscal year shall not revert but
21 shall remain available for expenditure for the purposes
22 designated until the close of the succeeding fiscal
23 year.

24 Sec. 77. DEPARTMENT OF NATURAL RESOURCES —

25 ECONOMIC EMERGENCY FUND. There is appropriated from
26 the Iowa economic emergency fund to the department of
27 natural resources for the fiscal year beginning July 1,
28 2011, and ending June 30, 2012, the following amount,
29 or so much thereof as is necessary, to be used for the
30 purposes designated, notwithstanding section 8.55,
31 subsection 1:

32 For the repair of damages due to the flooding of the
33 Missouri river during the calendar year 2011 in the
34 Lewis and Clark, lake Manawa, and Wilson island state
35 parks and recreation area:

36 \$ 2,865,743

37 For purposes of section 8.33, unless specifically
38 provided otherwise, unencumbered or unobligated
39 moneys remaining from the appropriation made in this
40 section shall not revert but shall remain available
41 for expenditure for the purposes designated until the
42 close of the fiscal year that ends two years after the
43 end of the fiscal year for which the appropriation is
44 made. However, if the project or projects for which
45 the appropriation was made are completed in an earlier
46 fiscal year, unencumbered or unobligated moneys shall
47 revert at the close of that same fiscal year.

48 Sec. 78. STATEWIDE FIRE AND POLICE RETIREMENT
49 SYSTEM FUND — APPROPRIATION.

50 1. There is appropriated from the general fund

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1 of the state for deposit in the statewide fire and
2 police retirement fund created in section 411.8, for
3 the fiscal year beginning July 1, 2011, and ending June
4 30, 2012, the following amount to be credited to the
5 retirement fund in the succeeding fiscal year:

6 \$ 5,000,000

7 2. Moneys appropriated by the state pursuant to
8 this section shall not be used to reduce the normal
9 rate of contribution of any city below 17 percent.

10 3. Notwithstanding section 8.33, moneys
11 appropriated in this section that remain unencumbered
12 or unobligated at the close of the fiscal year shall
13 not revert but shall remain available for expenditure
14 for the purposes designated until expended.

15 Sec. 79. PUBLIC SAFETY TRAINING AND FACILITIES TASK
16 FORCE.

17 1. a. There is appropriated from the general fund
18 of the state to the department of public safety for the
19 fiscal period beginning July 1, 2011, and ending June
20 30, 2012, the following amount, or so much thereof as
21 is necessary, to be used for the purposes designated:

22 For providing administrative support for the public
23 safety training and facilities task force established
24 by this section:

25 \$ 50,000

26 b. Notwithstanding section 8.33, moneys
27 appropriated in this subsection that remain
28 unencumbered or unobligated at the close of the fiscal
29 year shall not revert but shall remain available for
30 expenditure for the purposes designated until the close
31 of the succeeding fiscal year.

32 2. A public safety training and facilities task
33 force is established. The department of public safety
34 shall provide administrative support for the task
35 force.

36 3. The task force shall consist of the following
37 members:

38 a. One member appointed by the Iowa peace officers
39 association.

40 b. One member appointed by the Iowa state sheriff's
41 and deputies association.

42 c. One member appointed by the Iowa police chiefs
43 association.

44 d. One member who is a fire chief appointed by the
45 Iowa fire chiefs association.

46 e. One member who is a fire chief appointed by the
47 Iowa professional fire chiefs association.

48 f. One member who is the chief of the Iowa fire
49 service training bureau or the chief's designee.

50 g. Two members who are representatives of the fire

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1 service appointed by the Iowa firefighters association.
2 h. The administrative head of the homeland security
3 and emergency management division of the department
4 of public defense, or its successor agency, or the
5 administrative head's designee.
6 i. The adjutant general of the department of public
7 defense or the adjutant general's designee.
8 j. The director of the Iowa law enforcement academy
9 or the director's designee.
10 k. The commissioner of public safety or the
11 commissioner's designee.
12 l. Two members who are appointed by the Iowa
13 professional firefighters.
14 m. The state fire marshal or the state fire
15 marshal's designee.
16 n. The director of the department of corrections or
17 the director's designee.
18 o. One member appointed by the chief of the bureau
19 of emergency medical services of the Iowa department
20 of public health.
21 p. One member appointed by the Iowa emergency
22 medical services association.
23 q. One member appointed by the Iowa state police
24 association.
25 r. One member appointed by the state police
26 officers council who is representing peace officers
27 within the department of public safety.
28 s. One member appointed by the state police
29 officers council who is representing employees of the
30 department of natural resources.
31 t. One member who is the chief of the law
32 enforcement bureau of the department of natural
33 resources or the chief's designee.
34 u. One member appointed by the governor who
35 is a public member who has no personal interest
36 or occupational responsibilities in the area of
37 responsibility given to the task force and represents
38 the interests of the public in general.
39 v. One member appointed by the collective
40 bargaining unit that represents the largest number of
41 employees in the department of corrections.
42 w. One member appointed by the collective
43 bargaining unit that represents the largest number of
44 jailers and dispatchers in this state.
45 x. One member appointed by the Iowa association of
46 community college presidents.
47 4. The members of the task force shall select
48 one chairperson and one vice chairperson. The vice
49 chairperson shall preside in the absence of the
50 chairperson. Section 69.16A shall apply to the

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1 appointed members of the task force.
2 5. The task force shall consider and develop
3 strategies relating to public safety training
4 facility governance with the goal of all public safety
5 disciplines being represented. Each public safety
6 discipline shall advise the task force by developing
7 individual training policies as determined by the
8 discipline's governing bodies. The task force shall
9 also develop a proposal for a joint public safety
10 training facility, a budget for construction and future
11 operation of this facility, and potential locations,
12 that are centrally located in this state, for the
13 facility.
14 6. a. The task force shall provide interim reports
15 to the general assembly by December 31 of each year
16 concerning the activities of the task force and shall
17 submit its final report, including its findings and
18 recommendations, to the general assembly by December
19 31, 2015.
20 b. The final report shall include but not be
21 limited to recommendations concerning the following:
22 (1) Consolidation of public safety governance
23 within a single board and the membership of the board.
24 (2) Development of a consolidated fire and police
25 public safety training facility, including possible
26 locations, building recommendations, and financing
27 options.
28 (3) Development of sustainable funding alternatives
29 for public safety training and facilities.
30 (4) Any other recommendations relating to public
31 safety training and facilities requirements.
32 Sec. 80. WATERSHED IMPROVEMENT FUND —
33 APPROPRIATION. There is appropriated from the general
34 fund of the state to the department of agriculture and
35 land stewardship for the fiscal year beginning July 1,
36 2011, and ending June 30, 2012, the following amount,
37 or so much thereof as is necessary, to be used for the
38 purposes designated:
39 For deposit in the watershed improvement fund
40 created in section 466A.2:
41 \$ 5,000,000
42 Notwithstanding section 8.33, moneys appropriated in
43 this section that remain unencumbered or unobligated
44 at the close of the fiscal year shall not revert but
45 shall remain available for expenditure for the purposes
46 designated until the close of the succeeding fiscal
47 year.
48 Sec. 81. BIOSCIENCE INITIATIVE — IOWA STATE
49 UNIVERSITY — APPROPRIATION. There is appropriated
50 from the general fund of the state to the state board

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1 of regents for the fiscal year beginning July 1, 2011,
2 and ending June 30, 2012, the following amount, or
3 so much thereof as is necessary, to be used for the
4 purposes designated:

5 For the bioscience initiative at Iowa state
6 university of science and technology:

7 \$ 5,500,000

8 Notwithstanding section 8.33, moneys appropriated in
9 this section that remain unencumbered or unobligated
10 at the close of the fiscal year shall not revert but
11 shall remain available for expenditure for the purposes
12 designated until expended.

13 Sec. 82. EFFECTIVE UPON ENACTMENT. This division
14 of this Act, being deemed of immediate importance,
15 takes effect upon enactment.

16 DIVISION V

17 DEPARTMENT OF REVENUE

18 Sec. 83. Section 2.48, subsection 3, paragraph c,
19 subparagraph (4), Code 2011, is amended by striking the
20 subparagraph.

21 Sec. 84. Section 2.48, subsection 3, paragraph e,
22 subparagraph (5), Code 2011, is amended by striking the
23 subparagraph.

24 Sec. 85. Section 15.119, subsection 2, paragraph
25 e, Code Supplement 2011, is amended by striking the
26 paragraph.

27 Sec. 86. Section 422.15, subsection 2, Code 2011,
28 is amended to read as follows:

29 2. Every partnership, including limited
30 partnerships organized under chapter 488, ~~having a~~
31 ~~place of business in the state doing business in this~~
32 ~~state or deriving income from sources within this state~~
33 as defined in section 422.33, subsection 1, shall make
34 a return, stating specifically the net income and
35 capital gains ~~(or losses)~~ or losses reported on the
36 federal partnership return, the names and addresses
37 of the partners, and their respective shares in said
38 amounts.

39 Sec. 87. Section 422.25, subsection 1, paragraph b,
40 Code 2011, is amended to read as follows:

41 b. The period for examination and determination of
42 the correct amount of tax is unlimited in the case of
43 a false or fraudulent return made with the intent to
44 evade tax or in the case of a failure to file a return.
45 In lieu of the period of limitation for any prior year
46 for which an overpayment of tax or an elimination or
47 reduction of an underpayment of tax due for that prior
48 year results from the carryback to that prior year of a
49 net operating loss or net capital loss, the period is
50 the period of limitation for the taxable year of the

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1 net operating loss or net capital loss which results
2 in the carryback. If the tax found due is greater
3 than the amount paid, the department shall compute
4 the amount due, together with interest and penalties
5 as provided in subsection 2, and shall mail a notice
6 of assessment to the taxpayer and, if applicable, to
7 the taxpayer's authorized representative of the total,
8 which shall be computed as a sum certain ~~if paid on or~~
9 ~~before~~, with interest computed to the last day of the
10 month in which the notice is dated, ~~or on or before the~~
11 ~~last day of the following month if the notice is dated~~
12 ~~after the twentieth day of any month. The notice shall~~
13 ~~also inform the taxpayer of the additional interest and~~
14 ~~penalty which will be added to the total due if not~~
15 ~~paid on or before the last day of the applicable month.~~

16 Sec. 88. Section 422.33, subsections 9 and 27,
17 Code Supplement 2011, are amended by striking the
18 subsections.

19 Sec. 89. Section 423.37, subsection 2, Code 2011,
20 is amended to read as follows:

21 2. If a return required by this subchapter is
22 not filed, or if a return when filed is incorrect or
23 insufficient ~~and the maker fails to file a corrected~~
24 ~~or sufficient return within twenty days after the~~
25 ~~same is required by notice from the department~~, the
26 department shall determine the amount of tax due from
27 information as the department may be able to obtain
28 and, if necessary, may estimate the tax on the basis of
29 external indices, such as number of employees of the
30 person concerned, rentals paid by the person, stock
31 on hand, or other factors. The determination may be
32 made using any generally recognized valid and reliable
33 sampling technique, whether or not the person being
34 audited has complete records, as mutually agreed upon
35 by the department and the taxpayer. The department
36 shall give notice of the determination to the person
37 liable for the tax. The determination shall fix the
38 tax unless the person against whom it is assessed
39 shall, within sixty days after the giving of notice of
40 the determination, apply to the director for a hearing
41 or unless the taxpayer contests the determination by
42 paying the tax, interest, and penalty and timely filing
43 a claim for refund. At the hearing, evidence may be
44 offered to support the determination or to prove that
45 it is incorrect. After the hearing the director shall
46 give notice of the decision to the person liable for
47 the tax.

48 Sec. 90. Section 424.10, subsection 2, paragraph a,
49 Code Supplement 2011, is amended to read as follows:

50 a. If a return required by this chapter is not

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1 filed, or if a return when filed is incorrect or
2 insufficient ~~and the maker fails to file a corrected~~
3 ~~or sufficient return within twenty days after the~~
4 ~~return is required by notice from the department,~~
5 the department shall determine the amount of charge
6 due from information as the department may be able
7 to obtain and, if necessary, may estimate the charge
8 on the basis of external indices or factors. The
9 department shall give notice of the determination to
10 the person liable for the charge. The determination
11 shall fix the charge unless the person against whom it
12 is assessed shall, within sixty days after the date of
13 the notice of the determination, apply to the director
14 for a hearing or unless the person against whom it
15 is assessed contests the determination by paying the
16 charge, interest, and penalty and timely filing a claim
17 for refund. At the hearing evidence may be offered
18 to support the determination or to prove that it is
19 incorrect. After the hearing the director shall give
20 notice of the decision to the person liable for the
21 charge.

22 Sec. 91. Section 427B.4, Code 2011, is amended to
23 read as follows:

24 **427B.4 Application for exemption by property owner.**

25 1. a. An application shall be filed for each
26 project resulting in actual value added for which
27 an exemption is claimed. The first application for
28 exemption shall be filed by the owner of the property
29 with the local assessor governing board of the city or
30 county in which the property is located by February
31 1 of the assessment year in which the value added is
32 first assessed for taxation for which the exemption is
33 first claimed, but not later than the year in which all
34 improvements included in the project are first assessed
35 for taxation, or the following two assessment years.

36 b. Applications for exemption shall be made on
37 forms prescribed by the director of revenue and shall
38 contain information pertaining to the nature of the
39 improvement, its cost, the estimated or actual date of
40 completion, whether the exemption schedules described
41 in section 427B.3 or an alternate schedule adopted
42 pursuant to section 427B.1 will be elected, and any
43 other information deemed necessary by the director of
44 revenue.

45 2. a. A person may submit a proposal to the city
46 council of the city or the board of supervisors of
47 a county to receive prior approval for eligibility
48 for a tax exemption on new construction. The city
49 council or the board of supervisors, by ordinance, may
50 give its prior approval of a tax exemption for new

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1 construction if the new construction is in conformance
2 with the zoning plans for the city or county. The
3 prior approval shall also be subject to the hearing
4 requirements of section 427B.1.

5 b. Prior approval received under this subsection
6 does not entitle the owner to exemption from taxation
7 until the new construction has been completed and
8 found to be qualified real estate. However, if the
9 tax exemption for new construction is not approved,
10 the person may submit an amended proposal to the city
11 council or board of supervisors to approve or reject.

12 Sec. 92. REPEAL. Sections 16.211, 16.212, and
13 422.11X, Code 2011, are repealed.

14 Sec. 93. RETROACTIVE APPLICABILITY. The following
15 provision or provisions of this division of this Act
16 apply retroactively to January 1, 2012, for tax years
17 beginning on or after that date:

18 1. The section of this division of this Act
19 amending section 422.15, subsection 2.

20 Sec. 94. RETROACTIVE APPLICABILITY. The following
21 provision or provisions of this division of this Act
22 apply retroactively to January 1, 2012, for assessment
23 years beginning on or after that date:

24 1. The section of this division of this Act
25 amending section 427B.4.

26 DIVISION VI
27 TIME SERVED

28 Sec. 95. Section 907.3, subsection 3, unnumbered
29 paragraph 1, Code Supplement 2011, is amended to read
30 as follows:

31 By record entry at the time of or after sentencing,
32 the court may suspend the sentence and place the
33 defendant on probation upon such terms and conditions
34 as it may require including commitment to an alternate
35 jail facility or a community correctional residential
36 treatment facility to be followed by a period of
37 probation as specified in section 907.7, or commitment
38 of the defendant to the judicial district department
39 of correctional services for supervision or services
40 under section 901B.1 at the level of sanctions which
41 the district department determines to be appropriate
42 and the payment of fees imposed under section 905.14.
43 A person so committed who has probation revoked shall
44 not be given credit for such time served. However, ~~the~~
45 a person committed to an alternate jail facility or a
46 community correctional residential treatment facility
47 who has probation revoked shall be given credit for
48 time served in the facility. The court shall not
49 suspend any of the following sentences:

50 Sec. 96. APPLICABILITY AND WAIVER OF RIGHTS. A

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1 person who commits an offense prior to the effective
2 date of this division of this Act may expressly state
3 to the court, at the time of sentencing, that the
4 person waives any rights under Anderson v. State, 801
5 N.W.2d 1, relating to the calculation of credit for
6 time served, and agree to be sentenced using credits
7 as calculated under section 907.3, as amended by this
8 division of this Act. If the court finds the waiver
9 voluntary, the sentencing order shall reference the
10 person's waiver of rights under Anderson, and order
11 that credit for time served be calculated under section
12 907.3, as amended by this division of this Act.

13 Sec. 97. EFFECTIVE UPON ENACTMENT. This division
14 of this Act, being deemed of immediate importance,
15 takes effect upon enactment.

16 DIVISION VII

17 COUNTY TREASURERS

18 Sec. 98. Section 161A.35, unnumbered paragraph 1,
19 Code 2011, is amended to read as follows:

20 If the owner of any premises against which a levy
21 exceeding ~~one~~ five hundred dollars has been made and
22 certified shall, within thirty days from the date of
23 such levy, agree in writing in a separate agreement,
24 that in consideration of having a right to pay the
25 owner's assessment in installments, the owner will not
26 make any objection as to the legality of the assessment
27 for benefit, or the levy of the taxes against the
28 owner's property, then such owner shall have the
29 following options:

30 Sec. 99. Section 311.17, subsection 1, Code 2011,
31 is amended to read as follows:

32 1. If an owner other than the state or a county or
33 city, of any tracts of land on which the assessment
34 is more than ~~one~~ five hundred dollars, shall, within
35 twenty days from the date of the assessment, agree in
36 writing filed in the office of the county auditor,
37 that in consideration of the owner having the right
38 to pay the assessment in installments, the owner will
39 not make any objection of illegality or irregularity
40 as to the assessment upon the real estate, and will
41 pay the assessment plus interest, the assessment
42 shall be payable in ten equal installments. The
43 first installment shall be payable on the date of
44 the agreement. The other installments shall be paid
45 annually at the same time and in the same manner
46 as the September semiannual payment of ordinary
47 taxes with interest accruing as provided in section
48 384.65, subsection 3. The rate of interest shall be
49 as established by the board, but not exceeding that
50 permitted by chapter 74A.

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1 Sec. 100. Section 311.19, unnumbered paragraph 1,
2 Code 2011, is amended to read as follows:
3 Assessments of ~~one~~ five hundred dollars or less
4 against any tract of land, and assessments against
5 lands owned by the state, county, or city, shall be
6 due and payable from the date of levy by the board of
7 supervisors, or in the case of any appeal, from the
8 date of final confirmation of the levy by the court.
9 Sec. 101. Section 331.384, subsection 3, Code 2011,
10 is amended to read as follows:
11 3. If any amount assessed against property under
12 this section exceeds ~~one~~ five hundred dollars, a county
13 may permit the assessment to be paid in up to ten
14 annual installments in the same manner and with the
15 same interest rates provided for assessments against
16 benefited property under chapter 384, division IV.
17 Sec. 102. Section 357.20, Code 2011, is amended to
18 read as follows:
19 **357.20 Due date — bonds.**
20 Assessments of ~~less than one~~ five hundred dollars
21 or less will come due at the first taxpaying date
22 after the approval of the final assessment, and
23 assessments of ~~one hundred dollars or more~~ than five
24 hundred dollars may be paid in ten annual installments
25 with interest on the unpaid balance at a rate not
26 exceeding that permitted by chapter 74A. The board of
27 supervisors shall issue bonds against the completed
28 assessment in an amount equal to the total cost of the
29 project, so that the amount of the assessment will be
30 approximately ten percent greater than the amount of
31 the bonds.
32 Sec. 103. Section 358.16, subsection 3, Code 2011,
33 is amended to read as follows:
34 3. If any amount assessed against property pursuant
35 to this section will exceed ~~one~~ five hundred dollars,
36 the board of trustees may permit the assessment to be
37 paid in up to ten annual installments, in the manner
38 and with the same interest rates as provided for
39 assessments against benefited property under chapter
40 384, division IV.
41 Sec. 104. Section 364.13, Code 2011, is amended to
42 read as follows:
43 **364.13 Installments.**
44 If any amount assessed against property under
45 section 364.12 will exceed ~~one~~ five hundred dollars, a
46 city may permit the assessment to be paid in up to ten
47 annual installments, in the same manner and with the
48 same interest rates provided for assessments against
49 benefited property under chapter 384, division IV.
50 Sec. 105. Section 384.60, subsection 1, paragraph

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1 b, Code 2011, is amended to read as follows:
2 b. State the number of annual installments, not
3 exceeding fifteen, into which assessments of one more
4 than five hundred dollars or more are divided.
5 Sec. 106. Section 384.65, subsection 1, Code 2011,
6 is amended to read as follows:
7 1. The first installment of each assessment, or
8 the total amount if ~~less than one~~ five hundred dollars
9 or less, is due and payable on July 1 next succeeding
10 the date of the levy, unless the assessment is filed
11 with the county treasurer after May 31 in any year.
12 The first installment shall bear interest on the
13 whole unpaid assessment from the date of acceptance of
14 the work by the council to the first day of December
15 following the due date.
16 Sec. 107. Section 435.24, subsection 6, paragraph
17 b, Code 2011, is amended to read as follows:
18 b. Partial payment of taxes which are delinquent
19 may be made to the county treasurer. For the
20 installment being paid, payment shall first be applied
21 toward any interest, fees, and costs accrued and the
22 remainder applied to the tax due. A partial payment
23 must equal or exceed the interest, fees, and costs of
24 the installment being paid. A partial payment made
25 under this paragraph shall be apportioned in accordance
26 with section 445.57, however, such partial payment
27 may, at the discretion of the county treasurer, be
28 apportioned either on or before the tenth day of the
29 month following the receipt of the partial payment
30 or on or before the tenth day of the month following
31 the due date of the next semiannual tax installment.
32 If the payment does not include the whole of any
33 installment of the delinquent tax, the unpaid tax
34 shall continue to accrue interest pursuant to section
35 445.39. Partial payment shall not be permitted in lieu
36 of redemption if the property has been sold for taxes
37 under chapter 446 and under any circumstances shall not
38 constitute an extension of the time period for a sale
39 under chapter 446.
40 Sec. 108. Section 445.36A, subsection 2, Code 2011,
41 is amended to read as follows:
42 2. Partial payment of taxes which are delinquent
43 may be made to the county treasurer. For the
44 installment being paid, payment shall first be applied
45 to any interest, fees, and costs accrued and the
46 remainder applied to the taxes due. A partial payment
47 must equal or exceed the amount of interest, fees, and
48 costs of the installment being paid. A partial payment
49 made under this subsection shall be apportioned in
50 accordance with section 445.57, however, such partial

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1 payment may, at the discretion of the county treasurer,
2 be apportioned either on or before the tenth day of
3 the month following the receipt of the partial payment
4 or on or before the tenth day of the month following
5 the due date of the next semiannual tax installment.
6 If the payment does not include the whole of any
7 installment of the delinquent tax, the unpaid tax
8 shall continue to accrue interest pursuant to section
9 445.39. Partial payment shall not be permitted in lieu
10 of redemption if the property has been sold for taxes
11 under chapter 446 and under any circumstances shall not
12 constitute an extension of the time period for a sale
13 under chapter 446.
14 Sec. 109. Section 445.57, unnumbered paragraph 1,
15 Code 2011, is amended to read as follows:
16 On or before the tenth day of each month, the county
17 treasurer shall apportion all taxes collected during
18 the preceding month, except partial payment amounts
19 collected pursuant to section 445.36A, subsection 1
20 and, partial payments collected and not yet designated
21 by the county treasurer for apportionment pursuant
22 to section 445.36A, subsection 2, partial payments
23 collected pursuant to section 435.24, subsection
24 6, paragraph "a", and partial payments collected
25 and not yet designated by the county treasurer for
26 apportionment pursuant to section 435.24, subsection
27 6, paragraph "b", among the several funds to which they
28 belong according to the amount levied for each fund,
29 and shall apportion the interest, fees, and costs on
30 the taxes to the general fund, and shall enter those
31 amounts upon the treasurer's cash account, and report
32 the amounts to the county auditor.
33 Sec. 110. Section 446.32, Code 2011, is amended to
34 read as follows:
35 **446.32 Payment of subsequent taxes by purchaser.**
36 The county treasurer shall provide to the purchaser
37 of a parcel sold at tax sale a receipt for the total
38 amount paid by the purchaser after the date of purchase
39 for a subsequent year. Taxes for a subsequent year
40 may be paid by the purchaser beginning one month
41 and fourteen days following the date from which an
42 installment becomes delinquent as provided in section
43 445.37. Notwithstanding any provision to the contrary,
44 a subsequent payment must be received and recorded
45 by the treasurer in the county system no later than
46 five 5:00 p.m. on the last business day of the month
47 for interest for that month to accrue and be added
48 to the amount due under section 447.1. However, the
49 treasurer may establish a deadline for receipt of
50 subsequent payments that is other than five 5:00 p.m.

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1 on the last business day of the month to allow for
2 timely processing of the subsequent payments. Late
3 interest shall be calculated through the date that the
4 subsequent payment is recorded by the treasurer in
5 the county system. In no instance shall the date of
6 postmark of a subsequent payment be used by a treasurer
7 either to calculate interest or to determine whether
8 interest shall accrue on the subsequent payment.

9 Sec. 111. Section 468.57, subsection 1, Code
10 Supplement 2011, is amended to read as follows:

11 1. If the owner of any land against which a levy
12 exceeding one five hundred dollars has been made and
13 certified shall, within thirty days from the date
14 of such levy, agree in writing endorsed upon any
15 improvement certificate referred to in section 468.70,
16 or in a separate agreement, that in consideration
17 of having a right to pay the owner's assessment in
18 installments, the owner will not make any objection as
19 to the legality of the assessment for benefit, or the
20 levy of the taxes against the property, then such owner
21 shall have the following options:

22 a. To pay one-third of the amount of the assessment
23 at the time of filing the agreement; one-third within
24 twenty days after the engineer in charge certifies to
25 the auditor that the improvement is one-half completed;
26 and the remaining one-third within twenty days after
27 the improvement has been completed and accepted by the
28 board. All installments shall be without interest if
29 paid at said times, otherwise the assessments shall
30 bear interest from the date of the levy at a rate
31 determined by the board notwithstanding chapter 74A,
32 payable annually, and be collected as other taxes on
33 real estate, with like interest for delinquency.

34 b. To pay the assessments in not less than ten nor
35 more than twenty equal installments, with the number
36 of payments and interest rate determined by the board,
37 notwithstanding chapter 74A. The first installment
38 of each assessment, or the total amount if ~~less than~~
39 one five hundred dollars or less, is due and payable
40 on July 1 next succeeding the date of the levy, unless
41 the assessment is filed with the county treasurer
42 after May 31 in any year. The first installment shall
43 bear interest on the whole unpaid assessment from the
44 date of the levy as set by the board to the first day
45 of December following the due date. The succeeding
46 annual installments, with interest on the whole unpaid
47 amount, to the first day of December following the due
48 date, are respectively due on July 1 annually, and must
49 be paid at the same time and in the same manner as
50 the first semiannual payment of ordinary taxes. All

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1 future installments of an assessment may be paid on
2 any date by payment of the then outstanding balance
3 plus interest to the next December 1, or additional
4 annual installments may be paid after the current
5 installment has been paid before December 1 without
6 interest. A payment must be for the full amount of
7 the next installment. If installments remain to be
8 paid, the next annual installment with interest added
9 to December 1 will be due. After December 1, if a
10 drainage assessment is not delinquent, a property owner
11 may pay one-half or all of the next annual installment
12 of principal and interest of a drainage assessment
13 prior to the delinquency date of the installment.
14 When the next installment has been paid in full,
15 successive principal installments may be prepaid.
16 The county treasurer shall accept the payments of the
17 drainage assessment, and shall credit the next annual
18 installment or future installments of the drainage
19 assessment to the extent of the payment or payments,
20 and shall remit the payments to the drainage fund. If
21 a property owner elects to pay one or more principal
22 installments in advance, the pay schedule shall be
23 advanced by the number of principal installments
24 prepaid. Each installment of an assessment with
25 interest on the unpaid balance is delinquent from
26 October 1 after its due date. However, when the last
27 day of September is a Saturday or Sunday, that amount
28 shall be delinquent from the second business day of
29 October. Taxes assessed pursuant to this chapter
30 which become delinquent shall bear the same delinquent
31 interest as ordinary taxes. When collected, the
32 interest must be credited to the same drainage fund as
33 the drainage special assessment.

34 DIVISION VIII

35 BOARDS AND COMMISSIONS

36 Sec. 112. Section 28B.1, subsection 1, unnumbered
37 paragraph 1, Code 2011, is amended to read as follows:

38 The In accordance with a resolution adopted for
39 this purpose by the legislative council, an Iowa
40 commission on interstate cooperation is hereby
41 established shall be appointed to address the charge
42 and other responsibilities for the commission outlined
43 in the resolution. It The commission shall consist of
44 thirteen members to be appointed as follows:

45 Sec. 113. Section 28B.4, Code 2011, is amended to
46 read as follows:

47 **28B.4 Report.**

48 1. The commission shall report to the governor
49 and to the legislature within fifteen days after the
50 convening of each general assembly general assembly in

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1 accordance with the commission's charge, and at may
2 report at other times as it ~~deems~~ deemed appropriate by
3 the commission.

4 2. ~~Its~~ The commission's members and the members of
5 all committees which it establishes shall be reimbursed
6 for their travel and other necessary expenses in
7 carrying out their obligations under this chapter
8 and legislative members shall be paid a per diem
9 ~~as specified in section 7E-6~~ for each day in which
10 engaged in the performance of their duties, the per
11 diem and legislators' expenses to be paid from funds
12 appropriated by sections 2.10 and 2.12. Expenses of
13 administrative officers, state officials, or state
14 employees who are members of the Iowa commission on
15 interstate cooperation or a committee appointed by the
16 commission shall be paid from funds appropriated to the
17 agencies or departments which persons represent except
18 as may otherwise be provided by the general assembly.
19 Expenses of citizen members who may be appointed to
20 committees of the commission may be paid from funds as
21 authorized by the general assembly. Expenses of the
22 secretary or employees of the secretary and support
23 services in connection with the administration of the
24 commission shall be paid from funds appropriated to the
25 legislative services agency unless otherwise provided
26 by the general assembly. Expenses of commission
27 members shall be paid upon approval of the chairperson
28 or the secretary of the commission.

29 Sec. 114. Section 216A.132, subsection 1, paragraph
30 c, Code 2011, is amended to read as follows:

31 c. (1) The chief justice of the supreme court
32 shall designate one member who is a district judge and
33 one member who is either a district associate judge or
34 associate juvenile judge. ~~The chairperson and ranking~~
35 ~~member of the senate committee on judiciary shall be~~
36 ~~members. In alternating four-year intervals, the~~
37 ~~chairperson and ranking member of the house committee~~
38 ~~on judiciary or of the house committee on public~~
39 ~~safety shall be members, with the chairperson and~~
40 ~~ranking member of the house committee on public safety~~
41 ~~serving during the initial interval. Nonlegislative~~
42 The members appointed pursuant to this paragraph
43 subparagraph shall serve as ex officio, nonvoting
44 members for four-year terms beginning and ending as
45 provided in section 69.19, unless the member ceases to
46 serve as a district court judge.

47 (2) The chairperson and ranking member of the
48 senate committee on judiciary shall be ex officio,
49 nonvoting members. In alternating two-year terms,
50 beginning and ending as provided in section 69.16B, the

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1 chairperson and ranking member of the house committee
2 on judiciary or of the house committee on public
3 safety shall be ex officio, nonvoting members, with the
4 chairperson and ranking member of the house committee
5 on public safety serving during the term beginning in
6 January 2011.

7 Sec. 115. REPEAL. Section 249A.36, Code 2011, is
8 repealed.

9 DIVISION IX

10 ALLOWABLE GROWTH

11 Sec. 116. Section 257.8, subsection 1, Code
12 Supplement 2011, is amended to read as follows:

13 1. *State percent of growth.* ~~The state percent of~~
14 ~~growth for the budget year beginning July 1, 2010,~~
15 ~~is two percent.~~ The state percent of growth for the
16 budget year beginning July 1, 2012, is two percent.
17 The state percent of growth for the budget year
18 beginning July 1, 2013, is four percent. The state
19 percent of growth for each subsequent budget year shall
20 be established by statute which shall be enacted within
21 thirty days of the submission in the year preceding the
22 base year of the governor's budget under section 8.21.
23 The establishment of the state percent of growth for
24 a budget year shall be the only subject matter of the
25 bill which enacts the state percent of growth for a
26 budget year.

27 Sec. 117. Section 257.8, subsection 2, Code
28 Supplement 2011, is amended to read as follows:

29 2. *Categorical state percent of growth.* ~~The~~
30 ~~categorical state percent of growth for the budget~~
31 ~~year beginning July 1, 2010, is two percent.~~ The
32 categorical state percent of growth for the budget
33 year beginning July 1, 2012, is two percent. ~~The~~
34 categorical state percent of growth for the budget
35 year beginning July 1, 2013, is four percent. The
36 categorical state percent of growth for each budget
37 year shall be established by statute which shall
38 be enacted within thirty days of the submission in
39 the year preceding the base year of the governor's
40 budget under section 8.21. The establishment of the
41 categorical state percent of growth for a budget year
42 shall be the only subject matter of the bill which
43 enacts the categorical state percent of growth for a
44 budget year. The categorical state percent of growth
45 may include state percents of growth for the teacher
46 salary supplement, the professional development
47 supplement, and the early intervention supplement.

48 Sec. 118. EFFECTIVE UPON ENACTMENT. This division
49 of this Act, being deemed of immediate importance,
50 takes effect upon enactment.

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1 Sec. 119. APPLICABILITY. This division of this Act
2 is applicable for computing state aid under the state
3 school foundation program for the school budget year
4 beginning July 1, 2013.

5 Sec. 120. CODE SECTION 257.8 — IMPLEMENTATION.
6 The requirements of section 257.8 regarding the
7 enactment of the regular program state percent of
8 growth and categorical state percent of growth within
9 thirty days of the submission in the year preceding the
10 base year of the governor's budget and the requirements
11 that the subject matter of each bill establishing
12 the state percent of growth or the categorical state
13 percent of growth be the only subject matter of the
14 bill do not apply to this division of this Act.

15 DIVISION X

16 CITY FRANCHISE FEES

17 Sec. 121. Section 364.2, subsection 4, paragraph f,
18 Code 2011, is amended to read as follows:

19 f. (1) (a) A franchise fee assessed by a city may
20 be based upon a percentage of gross revenues generated
21 from sales of the franchisee within the city not to
22 exceed five percent, except as provided in subparagraph
23 division (b), without regard to the city's cost of
24 inspecting, supervising, and otherwise regulating the
25 franchise.

26 (b) For franchise fees assessed and collected
27 during fiscal years beginning on or after July 1,
28 2012,, but before July 1, 2030, by a city that is the
29 subject of a judgment, court-approved settlement, or
30 court-approved compromise providing for payment of
31 restitution, a refund, or a return described in section
32 384.3A, subsection 3, paragraph "j", the rate of the
33 franchise fee shall not exceed seven and one-half
34 percent of gross revenues generated from sales of the
35 franchisee in the city, and franchise fee amounts
36 assessed and collected during such fiscal years in
37 excess of five percent of gross revenues generated
38 from sales shall be used solely for the purpose
39 specified in section 384.3A, subsection 3, paragraph
40 "j". A city may assess and collect a franchise fee
41 in excess of five percent of gross revenues generated
42 from the sales of the franchisee pursuant to this
43 subparagraph division (b) for a period not to exceed
44 seven consecutive fiscal years once the franchise fee
45 is first imposed at a rate in excess of five percent.
46 This subparagraph division is repealed July 1, 2030.

47 (2) Franchise fees collected pursuant to an
48 ordinance in effect on May 26, 2009, shall be deposited
49 in the city's general fund and such fees collected in
50 excess of the amounts necessary to inspect, supervise,

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1 and otherwise regulate the franchise may be used by
2 the city for any other purpose authorized by law.
3 Franchise fees collected pursuant to an ordinance
4 that is adopted or amended on or after May 26, 2009,
5 to increase the percentage rate at which franchise
6 fees are assessed shall be credited to the franchise
7 fee account within the city's general fund and used
8 pursuant to section 384.3A. If a city franchise fee
9 is assessed to customers of a franchise, the fee shall
10 not be assessed to the city as a customer. Before a
11 city adopts or amends a franchise fee rate ordinance
12 or franchise ordinance to increase the percentage
13 rate at which franchise fees are assessed, a revenue
14 purpose statement shall be prepared specifying the
15 purpose or purposes for which the revenue collected
16 from the increased rate will be expended. If property
17 tax relief is listed as a purpose, the revenue purpose
18 statement shall also include information regarding the
19 amount of the property tax relief to be provided with
20 revenue collected from the increased rate. The revenue
21 purpose statement shall be published as provided in
22 section 362.3.

23 Sec. 122. Section 384.3A, subsection 3, Code 2011,
24 is amended by adding the following new paragraph:

25 NEW PARAGRAPH. *j.* For franchise fees assessed
26 and collected by a city in excess of five percent of
27 gross revenues generated from sales of the franchisee
28 within the city pursuant to section 364.2, subsection
29 4, paragraph "f", subparagraph (1), subparagraph
30 division (b), during fiscal years beginning on or after
31 July 1, 2012, but before July 1, 2030, the adjustment,
32 renewing, or extension of any part or all of the legal
33 indebtedness of a city, whether evidenced by bonds,
34 warrants, court-approved settlements, court-approved
35 compromises, or judgments, or the funding or refunding
36 of the same, if such legal indebtedness relates to
37 restitution, a refund, or a return ordered by a court
38 of competent jurisdiction for franchise fees assessed
39 and collected by the city before the effective date of
40 this division of this Act. This paragraph is repealed
41 July 1, 2030.

42 Sec. 123. EFFECTIVE UPON ENACTMENT. This division
43 of this Act, being deemed of immediate importance,
44 takes effect upon enactment.

45 DIVISION XI

46 EXTERNAL REVIEW OF HEALTH CARE COVERAGE DECISIONS

47 Sec. 124. Section 514J.102, subsections 1 and 10,
48 Code Supplement 2011, are amended to read as follows:

49 1. *"Adverse determination"* means a determination
50 by a health carrier that an admission, availability

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1 of care, continued stay, or other health care service
2 that is a covered benefit has been reviewed and,
3 based upon the information provided, does not meet the
4 health carrier's requirements for medical necessity,
5 appropriateness, health care setting, level of
6 care, or effectiveness, and the requested service or
7 payment for the service is therefore denied, reduced,
8 or terminated. "Adverse determination" includes a
9 denial of coverage for a dental care service that is
10 a covered benefit that has been reviewed and, based
11 upon the information provided, does not meet the health
12 carrier's requirements for medical necessity, and
13 the requested service or payment for the dental care
14 service is therefore denied, reduced, or terminated,
15 in whole or in part. "Adverse determination" does not
16 include a denial of coverage for a service or treatment
17 specifically listed in plan or evidence of coverage
18 documents as excluded from coverage.

19 10. "Covered benefits" or "benefits" means those
20 health care services and dental care services to which
21 a covered person is entitled under the terms of a
22 health benefit plan.

23 Sec. 125. Section 514J.102, Code Supplement 2011,
24 is amended by adding the following new subsection:

25 NEW SUBSECTION. 11A. "Dental care services" means
26 services for diagnostic, preventive, maintenance, and
27 therapeutic dental care that is provided under chapter
28 153.

29 Sec. 126. Section 514J.103, subsection 1, Code
30 Supplement 2011, is amended to read as follows:

31 1. Except as provided in subsection 2, this chapter
32 shall apply to all health carriers, including health
33 carriers issuing a policy or certificate that provides
34 coverage for dental care.

35 Sec. 127. Section 514J.103, subsection 2, paragraph
36 a, Code Supplement 2011, is amended to read as follows:

37 a. A policy or certificate that provides coverage
38 only for a specified disease, specified accident or
39 accident-only, credit, disability income, hospital
40 indemnity, long-term care, ~~dental care~~, vision care, or
41 any other limited supplemental benefit.

42 DIVISION XII

43 EARLY INTERVENTION BLOCK GRANT PROGRAM

44 Sec. 128. REPEAL. Section 256D.9, Code 2011, is
45 repealed.

46 Sec. 129. EFFECTIVE DATE. This division of this
47 Act takes effect June 30, 2012.

48 DIVISION XIII

49 JUVENILE OFFENDERS

50 Sec. 130. Section 232.8, subsection 1, paragraph c,

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1 Code 2011, is amended to read as follows:
2 c. Violations by a child, aged sixteen or older,
3 which subject the child to the provisions of section
4 124.401, subsection 1, paragraph "e" or "f", or
5 violations of section 723A.2 which involve a violation
6 of chapter 724, or violation of chapter 724 which
7 constitutes a felony, or violations which constitute
8 a forcible felony are excluded from the jurisdiction
9 of the juvenile court and shall be prosecuted as
10 otherwise provided by law unless the district court
11 transfers jurisdiction of the child to the juvenile
12 court upon motion and for good cause pursuant to
13 section 803.6. ~~A child over whom jurisdiction has not~~
14 ~~been transferred to the juvenile court, and who is~~
15 ~~convicted of a violation excluded from the jurisdiction~~
16 ~~of the juvenile court under this paragraph, shall be~~
17 ~~sentenced pursuant to section 124.401B, 902.9, or~~
18 ~~903.1.~~ Notwithstanding any other provision of the
19 Code to the contrary, the district court may accept
20 from a child in district court a plea of guilty, or
21 may instruct the jury on a lesser included offense
22 to the offense excluded from the jurisdiction of the
23 juvenile court under this section, in the same manner
24 as regarding an adult. The judgment and sentence of
25 a child in district court shall be as provided in
26 section 901.5. However, the juvenile court shall
27 have exclusive original jurisdiction in a proceeding
28 concerning an offense of animal torture as provided in
29 section 717B.3A alleged to have been committed by a
30 child under the age of seventeen.
31 Sec. 131. Section 232.8, subsection 3, paragraph a,
32 Code 2011, is amended to read as follows:
33 a. The juvenile court, after a hearing and in
34 accordance with the provisions of section 232.45, may
35 waive jurisdiction of a child alleged to have committed
36 a public offense so that the child may be prosecuted
37 as an adult or youthful offender for such offense in
38 another court. ~~If the child, except a child being~~
39 ~~prosecuted as a youthful offender,~~ pleads guilty or is
40 found guilty of a public offense other than a class "A"
41 felony in another court of this state, that court may
42 suspend the sentence or, with the consent of the child,
43 defer judgment and without regard to restrictions
44 placed upon deferred judgments for adults, place the
45 child on probation for a period of not less than one
46 year upon such conditions as it may require. Upon
47 fulfillment of the conditions of probation, a child
48 who receives a deferred judgment shall be discharged
49 without entry of judgment. A child prosecuted as
50 a youthful offender shall be sentenced pursuant to

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1 section 907.3A.

2 Sec. 132. Section 232.45, subsection 6, unnumbered
3 paragraph 1, Code 2011, is amended to read as follows:

4 At the conclusion of the waiver hearing the court
5 may waive its jurisdiction over the child for the
6 alleged commission of the public offense for the
7 purpose of prosecution of the child as an adult if all
8 of the following apply:

9 Sec. 133. Section 232.45, subsection 7, paragraph
10 a, subparagraph (1), Code 2011, is amended to read as
11 follows:

12 (1) The child is twelve through fifteen years of
13 age or younger the child is ten or eleven years of age
14 and has been charged with a public offense that would
15 be classified as a class "A" felony if committed by an
16 adult.

17 Sec. 134. Section 232.45A, subsections 2 and 3,
18 Code 2011, are amended to read as follows:

19 2. Once a child sixteen years of age or older
20 has been waived to and convicted of an aggravated
21 misdemeanor or a felony in by the juvenile court to the
22 district court, all subsequent criminal proceedings
23 against the child for any aggravated misdemeanor
24 or felony occurring subsequent to the date of the
25 conviction of the child for any delinquent act
26 committed after the date of the waiver by the juvenile
27 court shall begin in district court, notwithstanding
28 sections 232.8 and 232.45. A copy of the findings
29 required by section 232.45, subsection 10, shall
30 be made a part of the record in the district court
31 proceedings. However, upon acquittal or dismissal
32 in district court of all waived offenses and all
33 lesser included offenses of the waived offenses, the
34 proceedings for any delinquent act committed by the
35 child subsequent to such acquittal or dismissal shall
36 begin in juvenile court. Any proceedings initiated in
37 district court for a public offense committed by the
38 child subsequent to the waiver by the juvenile court,
39 but prior to any acquittal or dismissal of all waived
40 offenses and lesser included offenses in district
41 court, shall remain in district court.

42 3. If proceedings against a child for an aggravated
43 misdemeanor or a felony sixteen years of age or older
44 who has previously been waived to and convicted of
45 an aggravated misdemeanor or a felony in the district
46 court are mistakenly begun in the juvenile court, the
47 matter shall be transferred to district court upon
48 the discovery of the prior waiver and conviction,
49 notwithstanding sections 232.8 and 232.45.

50 Sec. 135. Section 232.50, subsection 1, Code 2011,

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1 is amended to read as follows:

2 1. As soon as practicable following the entry
3 of an order of adjudication pursuant to section
4 232.47 or notification that the child has ~~received a~~
5 ~~youthful offender deferred sentence~~ been placed on
6 youthful offender status pursuant to section 907.3A,
7 the court shall hold a dispositional hearing in order
8 to determine what disposition should be made of the
9 matter.

10 Sec. 136. Section 232.52, subsection 1, Code 2011,
11 is amended to read as follows:

12 1. Pursuant to a hearing as provided in section
13 232.50, the court shall enter the least restrictive
14 dispositional order appropriate in view of the
15 seriousness of the delinquent act, the child's
16 culpability as indicated by the circumstances of
17 the particular case, the age of the child, the
18 child's prior record, or the fact that the child has
19 ~~received a youthful offender deferred sentence~~ been
20 placed on youthful offender status under section
21 907.3A. The order shall specify the duration and
22 the nature of the disposition, including the type of
23 residence or confinement ordered and the individual,
24 agency, department, or facility in whom custody is
25 vested. In the case of a child who has ~~received a~~
26 ~~youthful offender deferred sentence~~ been placed on
27 youthful offender status, the initial duration of the
28 dispositional order shall be until the child reaches
29 the age of eighteen.

30 Sec. 137. Section 232.54, subsection 1, paragraph
31 g, Code 2011, is amended to read as follows:

32 g. With respect to a juvenile court dispositional
33 order entered regarding a child who has ~~received a~~
34 ~~youthful offender deferred sentence~~ been placed on
35 youthful offender status under section 907.3A, the
36 dispositional order may be terminated prior to the
37 child reaching the age of eighteen upon motion of the
38 child, the person or agency to whom custody of the
39 child has been transferred, or the county attorney
40 following a hearing before the juvenile court if it is
41 shown by clear and convincing evidence that it is in
42 the best interests of the child and the community to
43 terminate the order. The hearing may be waived if all
44 parties to the proceeding agree. The dispositional
45 order regarding a child who has ~~received a youthful~~
46 ~~offender deferred sentence~~ been placed on youthful
47 offender status may also be terminated prior to the
48 child reaching the age of eighteen upon motion of the
49 county attorney, if the waiver of the child to district
50 court was conditioned upon the terms of an agreement

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1 between the county attorney and the child, and the
2 child violates the terms of the agreement after the
3 waiver order has been entered. The district court
4 shall discharge the child's youthful offender status
5 upon receiving a termination order under this section.

6 Sec. 138. Section 232.54, subsection 1, paragraph
7 h, unnumbered paragraph 1, Code 2011, is amended to
8 read as follows:

9 With respect to a dispositional order entered
10 regarding a child who has ~~received a youthful offender~~
11 ~~deferred sentence~~ been placed on youthful offender
12 status under section 907.3A, the juvenile court may,
13 in the case of a child who violates the terms of the
14 order, modify or terminate the order in accordance with
15 the following:

16 Sec. 139. Section 232.55, subsection 3, Code 2011,
17 is amended to read as follows:

18 3. This section does not apply to dispositional
19 orders entered regarding a child who has ~~received a~~
20 ~~youthful offender deferred sentence~~ been placed on
21 youthful offender status under section 907.3A who
22 is not discharged from probation before or upon the
23 child's eighteenth birthday.

24 Sec. 140. Section 232.56, Code 2011, is amended to
25 read as follows:

26 **232.56 Youthful offenders — transfer to district**
27 **court supervision.**

28 The juvenile court shall deliver a report, which
29 includes an assessment of the child by a juvenile court
30 officer after consulting with the judicial district
31 department of correctional services, to the district
32 court prior to the eighteenth birthday of a child who
33 has ~~received a youthful offender deferred sentence~~
34 been placed on youthful offender status under section
35 907.3A. A hearing shall be held in the district court
36 in accordance with section 907.3A to determine whether
37 the child should be discharged from youthful offender
38 status or whether the child shall continue under the
39 supervision of the district court after the child's
40 eighteenth birthday.

41 Sec. 141. Section 901.5, Code Supplement 2011, is
42 amended by adding the following new subsection:

43 **NEW SUBSECTION. 14.** Notwithstanding any provision
44 in section 907.3 or any other provision of law
45 prescribing a mandatory minimum sentence for the
46 offense, if the defendant is guilty of a public offense
47 other than a class "A" felony, and was a minor at
48 the time the offense was committed, the court may
49 suspend the sentence in whole or in part, including any
50 mandatory minimum sentence, defer sentence, or with the



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1 consent of the defendant, defer judgment, and place the
2 defendant on probation, upon such conditions as the
3 court may require.

4 Sec. 142. Section 907.3A, Code 2011, is amended to
5 read as follows:

6 ~~907.3A Youthful offender deferred sentence —~~
7 ~~youthful offender status.~~

8 1. Notwithstanding section 907.3 but subject to any
9 conditions of the waiver order, the trial court shall,
10 upon a plea of guilty or a verdict of guilty, ~~defer~~
11 ~~sentence of a youthful offender~~ place the juvenile
12 over whom the juvenile court has waived jurisdiction
13 pursuant to section 232.45, subsection 7, and place
14 the juvenile on youthful offender status. The court
15 shall transfer supervision of the youthful offender
16 to the juvenile court for disposition in accordance
17 with section 232.52. An adjudication of delinquency
18 entered by the juvenile court at disposition for
19 a public offense shall not be deemed a conviction
20 and shall not preclude the subsequent entry of a
21 deferred judgment, conviction, or sentence by the
22 district court. The court shall require supervision
23 of the youthful offender in accordance with section
24 232.54, subsection 1, paragraph "h", or subsection 2
25 of this section. ~~Notwithstanding section 901.2, a~~
26 ~~presentence investigation shall not be ordered by the~~
27 ~~court subsequent to an entry of a plea of guilty or~~
28 ~~verdict of guilty or prior to deferral of sentence of a~~
29 ~~youthful offender under this section.~~

30 2. The court shall hold a hearing prior to a
31 youthful offender's eighteenth birthday to determine
32 whether the youthful offender shall continue on
33 youthful offender status after the youthful offender's
34 eighteenth birthday ~~under the supervision of the~~
35 ~~court or be discharged.~~ Notwithstanding section
36 901.2, the court may order a presentence investigation
37 report including a report for an offense classified
38 as a class "A" felony. The court shall review the
39 report of the juvenile court regarding the youthful
40 offender and prepared pursuant to section 232.56,
41 and any presentence investigation report, if ordered
42 by the court. The court shall hear evidence by or
43 on behalf of the youthful offender, by the county
44 attorney, and by the person or agency to whom custody
45 of the youthful offender was transferred. The court
46 shall make its decision, pursuant to the sentencing
47 options available in subsection 3, after considering
48 the services available to the youthful offender, the
49 evidence presented, the juvenile court's report, the
50 presentence investigation report if ordered by the

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1 court, the interests of the youthful offender, and
2 interests of the community.

3 3. a. Notwithstanding any provision of the Code
4 which prescribes a mandatory minimum sentence for the
5 offense committed by the youthful offender, following
6 transfer of the youthful offender from the juvenile
7 court back to the court having jurisdiction over the
8 criminal proceedings involving the youthful offender,
9 the court may continue the youthful offender deferred
10 sentence or enter a sentence, which may be a suspended
11 sentence, shall order one of the following sentencing
12 options:

13 (1) Defer judgment and place the youthful offender
14 on probation, upon the consent of the youthful
15 offender.

16 (2) Defer the sentence and place the youthful
17 offender on probation upon such terms and conditions
18 as the court may require.

19 (3) Suspend the sentence and place the youthful
20 offender on probation upon such terms and conditions
21 as the court may require.

22 (4) A term of confinement.

23 (5) Discharge the youthful offender from youthful
24 offender status and terminate the sentence.

25 b. Notwithstanding anything in section 907.7 to
26 the contrary, if the district court either grants
27 the youthful offender a deferred judgment, continues
28 the youthful offender deferred sentence, or enters a
29 sentence, and suspends the sentence, and places the
30 youthful offender on probation, the term of formal
31 supervision shall commence upon entry of the order by
32 the district court and may continue for a period not
33 to exceed five years. If the district court enters a
34 sentence of confinement, and the youthful offender was
35 previously placed in secure confinement by the juvenile
36 court under the terms of the initial disposition order
37 or any modification to the initial disposition order,
38 the person shall receive credit for any time spent in
39 secure confinement. During any period of probation
40 imposed by the district court, a youthful offender who
41 violates the terms of probation is subject to section
42 908.11.

43 DIVISION XIV

44 STATE BOARD OF REGENTS

45 Sec. 143. Section 8D.10, Code 2011, is amended to
46 read as follows:

47 **8D.10 Report of savings by state agencies.**

48 A state agency which is a part of the network shall
49 annually provide a written report to the general
50 assembly certifying the identified savings associated

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1 with the state agency's use of the network. The report
2 shall be delivered on or before January 15 for the
3 previous fiscal year of the state agency. This section
4 does not apply to the state board of regents or to
5 any institution under control of the state board of
6 regents.

7 Sec. 145. Section 262.93, Code 2011, is amended to
8 read as follows:

9 **262.93 Reports to general assembly.**

10 The college student aid commission and the state
11 board of regents each shall submit to the general
12 assembly, by January 15 of each year, a report on
13 the progress and implementation of the programs
14 which they administer under sections 261.102 through
15 261.105, ~~262.82~~, and 262.92. By January 31 of each
16 year, the state board of regents shall submit a report
17 to the general assembly regarding the progress and
18 implementation of the program administered pursuant to
19 section 262.82. The reports shall include, but are
20 not limited to, the numbers of students and educators
21 participating in the programs and allocation of funds
22 appropriated for the programs.

23 Sec. 146. Section 263.19, Code 2011, is amended to
24 read as follows:

25 **263.19 Purchases.**

26 Any purchase ~~in excess of ten thousand dollars,~~
27 of materials, appliances, instruments, or supplies by
28 the university of Iowa hospitals and clinics, ~~when the~~
29 ~~price of the materials, appliances, instruments, or~~
30 ~~supplies to be purchased is subject to competition,~~
31 shall be made pursuant to open competitive quotations,
32 and all contracts for such purchases shall be subject
33 to chapter 72. ~~However, purchases may be made through~~
34 ~~a hospital group purchasing organization provided~~
35 ~~that the university of Iowa hospitals and clinics~~
36 ~~is a member of the organization in compliance with~~
37 purchasing policies of the state board of regents.

38 Sec. 147. Section 432.13, Code 2011, is amended to
39 read as follows:

40 **432.13 Premium tax exemption — hawk-i program —**
41 **state employee benefits.**

42 1. Premiums collected by participating insurers
43 under chapter 514I are exempt from premium tax.

44 2. Premiums received for benefits acquired
45 on behalf of state employees by the department of
46 administrative services ~~on behalf of state employees~~
47 pursuant to section 8A.402, subsection 1, and by the
48 state board of regents pursuant to chapter 262, are
49 exempt from premium tax.

50 DIVISION XV

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SALES AND USE TAX

Sec. 148. Section 423.1, subsection 47, Code Supplement 2011, is amended to read as follows:

47. *"Retailer"* means and includes every person engaged in the business of selling tangible personal property or taxable services at retail, or the furnishing of gas, electricity, water, or communication service, and tickets or admissions to places of amusement and athletic events or operating amusement devices or other forms of commercial amusement from which revenues are derived and includes but is not limited to every retailer maintaining a place of business in this state. However, when in the opinion of the director it is necessary for the efficient administration of this chapter to regard any salespersons, representatives, truckers, peddlers, or canvassers as agents of the dealers, distributors, supervisors, employers, or persons under whom they operate or from whom they obtain tangible personal property sold by them irrespective of whether or not they are making sales on their own behalf or on behalf of such dealers, distributors, supervisors, employers, or persons, the director may so regard them, and may regard such dealers, distributors, supervisors, employers, or persons as retailers for the purposes of this chapter. *"Retailer"* includes a seller obligated to collect sales or use tax.

Sec. 149. Section 423.1, subsection 48, Code Supplement 2011, is amended to read as follows:

48. *a. "Retailer maintaining a place of business in this state"* or any like term includes any retailer having or maintaining within this state, directly or by a subsidiary, an office, distribution house, sales house, warehouse, or other place of business, or any representative operating within this state under the authority of the retailer or its subsidiary, irrespective of whether that place of business or representative is located here permanently or temporarily, or whether the retailer or subsidiary is admitted to do business within this state pursuant to chapter 490.

b. (1) A retailer shall be presumed to be maintaining a place of business in this state, as defined in paragraph "a", if any person that has substantial nexus in this state, other than a person acting in its capacity as a common carrier, does any of the following:

(a) Sells a similar line of products as the retailer and does so under the same or similar business name.

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1 **(b) Maintains an office, distribution facility,**
2 **warehouse, storage place, or similar place of business**
3 **in this state to facilitate the delivery of property**
4 **or services sold by the retailer to the retailer's**
5 **customers.**
6 **(c) Uses trademarks, service marks, or trade**
7 **names in this state that are the same or substantially**
8 **similar to those used by the retailer.**
9 **(d) Delivers, installs, assembles, or performs**
10 **maintenance services for the retailer's customers.**
11 **(e) Facilitates the retailer's delivery of**
12 **property to customers in this state by allowing the**
13 **retailer's customers to take delivery of property sold**
14 **by the retailer at an office, distribution facility,**
15 **warehouse, storage place, or similar place of business**
16 **maintained by the person in this state.**
17 **(f) Conducts any other activities in this state**
18 **that are significantly associated with the retailer's**
19 **ability to establish and maintain a market in this**
20 **state for the retailer's sales.**
21 **(2) The presumption established in this paragraph**
22 **may be rebutted by a showing of proof that the**
23 **person's activities in this state are not significantly**
24 **associated with the retailer's ability to establish**
25 **or maintain a market in this state for the retailer's**
26 **sales.**
27 **Sec. 150. NEW SECTION. 423.13A Administration —**
28 **effectiveness of agreements with retailers.**
29 1. Notwithstanding any provision of this chapter
30 to the contrary, any ruling, agreement, or contract,
31 whether written or oral, express or implied, entered
32 into after the effective date of this division of
33 this Act between a retailer and a state agency which
34 provides that a retailer is not required to collect
35 sales and use tax in this state despite the presence
36 in this state of a warehouse, distribution center, or
37 fulfillment center that is owned and operated by the
38 retailer or an affiliate of the retailer shall be null
39 and void unless such ruling, agreement, or contract
40 is approved by a majority vote of both houses of the
41 general assembly.
42 2. For purposes of this section, "*state agency*"
43 means the executive branch, including any executive
44 department, commission, board, institution, division,
45 bureau, office, agency, or other entity of state
46 government. "*State agency*" does not mean the general
47 assembly, or the judicial branch as provided in section
48 602.1102.
49 Sec. 151. Section 423.36, Code 2011, is amended by
50 adding the following new subsection:

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1 NEW SUBSECTION. 1A. *a.* Notwithstanding subsection
2 1, if any person will make taxable sales of tangible
3 personal property or furnish services to any state
4 agency, that person shall, prior to the sale, apply
5 for and receive a permit to collect sales or use tax
6 pursuant to this section. A state agency shall not
7 purchase tangible personal property or services from
8 any person unless that person has a valid, unexpired
9 permit issued pursuant to this section and is in
10 compliance with all other requirements in this chapter
11 imposed upon retailers, including but not limited to
12 the requirement to collect and remit sales and use tax
13 and file sales tax returns.

14 *b.* For purposes of this subsection, "state
15 agency" means any executive, judicial, or legislative
16 department, commission, board, institution, division,
17 bureau, office, agency, or other entity of state
18 government.

19 DIVISION XVI

20 COMMERCIAL ESTABLISHMENT FUND

21 Sec. 152. Section 162.2, Code 2011, is amended by
22 adding the following new subsections:

23 NEW SUBSECTION. 12A. "*Dispositional expenses*" means
24 the same as defined in section 717B.1.

25 NEW SUBSECTION. 16A. "*Local authority*" means the
26 same as defined in section 717B.1.

27 Sec. 153. Section 162.2C, Code 2011, is amended by
28 adding the following new subsections:

29 NEW SUBSECTION. 2A. The fiscal year of the fund
30 begins July 1 and ends June 30. Fiscal quarters of the
31 fund begin July 1, October 1, January 1, and April 1.

32 NEW SUBSECTION. 2B. The fund shall include two
33 accounts, a general account and a dispositional
34 account.

35 *a.* Except as provided in paragraph "b", the general
36 account is composed of all moneys deposited in the fund
37 as provided in subsection 2. The department shall
38 utilize moneys in the general account to provide for
39 the administration and enforcement of this chapter.

40 *b.* The dispositional account is composed of all
41 fees collected pursuant to section 162.2B, until the
42 department determines that the account has achieved
43 a threshold of at least two hundred fifty thousand
44 dollars. At the end of each fiscal quarter the
45 department shall determine the balance of unencumbered
46 and unobligated moneys in the account, and may transfer
47 any moneys in the account exceeding the threshold to
48 the general account. The department shall return
49 any unexpended and unobligated moneys expended from
50 the dispositional account back to that account, or

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1 the general account if the dispositional account's
2 threshold is achieved.
3 Sec. 154. **NEW SECTION. 162.2D Payment of**
4 **dispositional expenses incurred by local authorities.**
5 1. Moneys deposited into the dispositional account
6 of the commercial establishment fund created in section
7 162.2C are appropriated to the department to pay
8 eligible claims submitted to the department by local
9 authorities for dispositional expenses incurred by
10 the local authority, including by providing for the
11 maintenance of a vertebrate animal subject to a court
12 hearing pursuant to section 717B.4 or rescued pursuant
13 to section 717B.5. This section does not apply to
14 livestock as defined in section 717.1.
15 2. The department shall pay an eligible claim
16 according to procedures adopted by departmental
17 rule. In order for a claim to be eligible, all of the
18 following must apply:
19 a. At the time of the hearing for the disposition
20 of the vertebrate animal or the rescue of the
21 vertebrate animal, the vertebrate animal must have been
22 possessed or controlled by a commercial establishment
23 that possessed or controlled more than twenty
24 vertebrate animals at any one time during the prior
25 twelve months.
26 b. The commercial establishment must be required to
27 operate pursuant to an authorization issued or renewed
28 pursuant to section 162.2A, regardless of whether the
29 commercial establishment is actually issued or renewed
30 such authorization.
31 c. The dispositional expenses must be actually
32 and reasonably incurred by the local authority,
33 including by an animal care provider providing for the
34 maintenance of the vertebrate animal under contract
35 with the local authority.
36 d. The local authority must submit the claim to the
37 department according to procedures established by rules
38 adopted by the department. A claim is not eligible
39 if submitted twelve months or more after the local
40 authority has incurred its final dispositional expense.
41 3. A claim is eligible for payment even if any of
42 the following applies:
43 a. The responsible party has posted a bond or
44 other security with the local authority as provided in
45 section 717B.4.
46 b. The local authority may receive a future payment
47 for the dispositional expense from a responsible party
48 as provided in section 717B.4.
49 4. Upon a determination that the claim is eligible,
50 the department shall provide for payment to the local

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1 authority of one hundred percent of the claimed amount.
2 If there are insufficient moneys in the dispositional
3 account to make full payment of all eligible claims,
4 the department shall prorate the payment amounts and
5 defer the remaining payment until the dispositional
6 account again contains sufficient moneys.
7 5. A local authority shall repay the department
8 the claimed amount as provided in subsection 4 from
9 any moneys received by the local authority from a
10 responsible party for dispositional expenses pursuant
11 to section 717B.4. The department shall deposit the
12 moneys in the commercial establishment fund as provided
13 in section 162.2C.
14 Sec. 155. Section 717B.1, Code 2011, is amended by
15 adding the following new subsection:
16 NEW SUBSECTION. 3A. "Department" means the
17 department of agriculture and land stewardship.
18 Sec. 156. NEW SECTION. 717B.5A Dispositional
19 expenses — commercial establishment fund.
20 A local authority may submit a claim to the
21 department to pay for dispositional expenses incurred
22 by the local authority if the local authority complies
23 with the requirements provided in section 162.2D.>
24 2. Title page, by striking lines 1 through 5 and
25 inserting <An Act relating to state and local finances
26 by making and adjusting appropriations, providing for
27 funding of property tax credits and reimbursements and
28 for other matters pertaining to taxation, providing
29 for fees and criminal penalties, providing for legal
30 responsibilities, providing for certain insurance and
31 employee benefits, and providing for properly related
32 matters, and including effective date and retroactive
33 and other applicability provisions.>
34 3. By renumbering as necessary.

COMMITTEE ON APPROPRIATIONS
ROBERT E. DVORSKY, CHAIRPERSON



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Senate File 2293

S-5237

1 Amend the amendment, S-5183, to Senate File 2293,
2 as amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, after line 2 by inserting:
5 <____. Page 2, after line 6 by inserting:
6 <Sec. _____. Section 505.8, Code Supplement 2011, is
7 amended by adding the following new subsection:
8 NEW SUBSECTION. 6A. The commissioner shall
9 establish a bureau, to be known as the "*health*
10 *insurance and cost containment bureau*", as provided in
11 section 505.20.>
12 _____. Page 2, after line 15 by inserting:
13 <Sec. _____. NEW SECTION. 505.20 Health insurance
14 and cost containment bureau — advisory board.
15 1. *a.* The commissioner shall establish a
16 bureau, to be known as the "*health insurance and cost*
17 *containment bureau*", for the purpose of creating
18 methodologies to hold health carriers accountable
19 for the fair treatment of health care providers and
20 developing affordability standards for health carriers
21 that direct carriers to promote improved accessibility,
22 quality, and affordability of health care.
23 *b.* The commissioner shall employ professional and
24 clerical staff to carry out the purposes and functions
25 of the bureau.
26 *c.* The commissioner shall adopt rules under chapter
27 17A, in collaboration with the health insurance and
28 cost containment advisory board, to administer and
29 implement the purposes and functions of the bureau.
30 2. *a.* A health insurance and cost containment
31 advisory board is created to assist the commissioner
32 in carrying out the purposes of the bureau. The
33 advisory board shall consist of seven voting members
34 and seven nonvoting members. The voting members shall
35 be appointed by the governor, subject to confirmation
36 by the senate. The governor shall designate one voting
37 member as chairperson and one as vice chairperson.
38 *b.* The voting members of the advisory board shall
39 be appointed by the governor as follows:
40 (1) Two persons who represent the interests of
41 small business from nominations made to the governor
42 by nationally recognized groups that represent the
43 interests of small business.
44 (2) Two persons who represent the interests of
45 consumers from nominations made to the governor
46 by nationally recognized groups that represent the
47 interests of consumers.
48 (3) One person who is an insurance producer
49 licensed under chapter 522B.
50 (4) One person who is a health care actuary or

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1 economist with expertise in health insurance.
2 (5) One person who is a health care provider.
3 c. The nonvoting members are as follows:
4 (1) The commissioner of insurance or the
5 commissioner's designee.
6 (2) The director of human services or the
7 director's designee.
8 (3) The director of public health or the director's
9 designee.
10 (4) Four members of the general assembly,
11 one appointed by the speaker of the house of
12 representatives, one appointed by the minority leader
13 of the house of representatives, one appointed by the
14 majority leader of the senate, and one appointed by the
15 minority leader of the senate.
16 d. Meetings of the advisory board shall be held at
17 the call of the chairperson or upon the request of at
18 least two voting members. Four voting members shall
19 constitute a quorum and the affirmative vote of four
20 voting members shall be necessary for any action taken
21 by the advisory board.
22 e. The voting members of the advisory board shall
23 be appointed for staggered terms of three years within
24 sixty days after the effective date of this Act and by
25 December 15 of each year thereafter. The initial terms
26 of the voting members of the advisory board shall be
27 staggered at the discretion of the governor. A voting
28 member of the board is eligible for reappointment. The
29 governor shall fill a vacancy on the board in the same
30 manner as the original appointment for the remainder
31 of the term.
32 f. Voting members of the advisory board may be
33 reimbursed from the moneys collected from assessment
34 fees for the administration of the bureau and the
35 advisory board pursuant to subsection 7, for actual
36 and necessary expenses incurred in the performance of
37 their duties, but shall not be otherwise compensated
38 for their services.
39 g. It shall be the duty of the advisory board to
40 assist the bureau in carrying out the purposes and
41 functions of the bureau by making recommendations for
42 the creation of methodologies that hold health carriers
43 in the state accountable for the fair treatment of
44 health care providers and developing affordability
45 standards for health carriers that direct such carriers
46 to promote improved accessibility, quality, and
47 affordability of health care. The advisory board shall
48 also offer input to the commissioner regarding proposed
49 rules, the operation of the bureau, and any other
50 topics relevant to administering and implementing the

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1 purposes and functions of the bureau.

2 3. a. Health care affordability efforts shall
3 initially focus on the primary care level of care in
4 an effort to create a stronger primary care system and
5 greater supply of more highly compensated primary care
6 providers by targeting more funding to primary care.

7 b. Beginning on December 31, 2013, and each year
8 thereafter, each health carrier shall report to the
9 bureau, in a format and including information as
10 required by the commissioner by rule, the carrier's
11 proportion of medical expense paid for primary care
12 for the previous twelve months and the proportion of
13 medical expense to be allocated to primary care for
14 the succeeding twelve months beginning on January 1,
15 2014, and each year thereafter. The proportion of
16 medical expense paid for primary care shall increase by
17 at least one percentage point per year for five years
18 beginning on January 1, 2014.

19 c. Each health carrier shall submit a plan to
20 the bureau each year in a format and including
21 information as required by the commissioner by rule,
22 that demonstrates how the increase in spending for
23 primary care will be accomplished. The increase in
24 spending for primary care shall be accomplished without
25 contributing to an increase in premiums.

26 4. Each health carrier shall support the
27 implementation of the medical home system as developed
28 and implemented by the department of public health and
29 the medical home system advisory council pursuant to
30 sections 135.157, 135.158, and 135.159, by implementing
31 the phase of the medical home system pursuant to
32 section 135.159, subsection 11, that involves insurers
33 and self-insured companies in making the medical
34 home system available to individuals with private
35 health care coverage. The health insurance and cost
36 containment advisory board shall work collaboratively
37 with the medical home system advisory council to
38 implement this phase. In addition to the reimbursement
39 methodologies and incentives for participation in the
40 medical home system described in section 135.159,
41 subsection 8, the advisory board and the medical
42 home system advisory council shall review additional
43 payment and system reforms to support the expanded
44 implementation of the medical home system including but
45 not limited to all of the following:

46 a. Rewarding high-quality, low-cost providers.

47 b. Creating participant incentives to receive care
48 from high-quality, low-cost providers.

49 c. Fostering collaboration among providers to
50 reduce cost shifting from one part of the health care

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1 continuum to another.

2 *d.* Creating incentives for providing health care in
3 the least restrictive, most appropriate setting.

4 *e.* Creating incentives to promote diversity in
5 the size, geographic location, and accessibility of
6 practices designated as medical homes throughout the
7 state.

8 5. Each health carrier shall demonstrate by
9 December 31, 2013, implementation of incentives
10 consistent with the efforts of the department of public
11 health and the electronic health information advisory
12 council and executive committee pursuant to section
13 135.156 to promote adoption of electronic health
14 records by health care providers at all levels of the
15 health care continuum. Health carriers shall submit a
16 report to the bureau by December 31, 2014, concerning
17 the incentive programs that have been implemented in
18 a format and including information as required by the
19 commissioner by rule.

20 6. Each health carrier shall participate in efforts
21 regarding comprehensive delivery system reform,
22 including payment reform, in coordination with other
23 payers and health care providers.

24 *a.* As an initial step to inform such efforts,
25 the bureau and advisory board shall develop a plan
26 to implement an all-payer claims database by December
27 31, 2013, to provide for the collection and analysis
28 of claims data from multiple payers of health care
29 delivered at all levels including but not limited to
30 primary care, specialist care, outpatient surgery,
31 inpatient stays, laboratory testing, and pharmacy
32 data. The plan shall provide for development and
33 implementation of a database that complies with any
34 applicable requirements of the federal Act and that
35 most effectively and efficiently provides data to
36 determine health care utilization patterns and rates;
37 identify gaps in prevention and health promotion
38 services; evaluate access to care; assist with benefit
39 design and planning; analyze statewide and local health
40 care expenditures by provider, employer, and geography;
41 inform the development of payment systems for
42 providers; and establish clinical guidelines related
43 to quality, safety, and continuity of care. The
44 bureau shall submit the plan to the general assembly
45 by December 31, 2012, including statutory changes
46 necessary to collect and use such data, a standard
47 means of collecting the data, an implementation
48 and maintenance schedule, and a proposed budget and
49 financing options for the database.

50 *b.* The bureau and advisory board shall also

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1 recommend a provider payment system plan to reform the
2 health care provider payment system beyond primary care
3 providers, including but not limited to specialty care,
4 hospital, and long-term care providers, as an effective
5 way to promote coordination of care, lower costs, and
6 improve quality.

7 7. a. Funding to operate the bureau and the
8 advisory board shall come from federal and private
9 grants and from assessment fees charged to health
10 carriers. The commissioner shall charge an assessment
11 fee to all health carriers in this state, as necessary
12 to support the activities and operations of the bureau
13 and the advisory board as provided under this section.
14 No state funding shall be appropriated or allocated for
15 the operation or administration of the bureau or the
16 advisory board. The assessment shall provide for the
17 sharing of bureau and advisory board expenses on an
18 equitable and proportionate basis among health carriers
19 in the state as provided in this subsection.

20 b. Following the close of each calendar year, the
21 commissioner shall determine the expenses for operation
22 and administration of the bureau and the advisory
23 board. The expenses incurred shall be assessed by
24 the commissioner to all health carriers in proportion
25 to their respective shares of total health insurance
26 premiums or payments for subscriber contracts received
27 in Iowa during the second preceding calendar year, or
28 with paid losses in the year, coinciding with or ending
29 during the calendar year or on any other equitable
30 basis as provided by rule. In sharing expenses,
31 the commissioner may abate or defer in any part the
32 assessment of a health carrier, if, in the opinion
33 of the commissioner, payment of the assessment would
34 endanger the ability of the health carrier to fulfill
35 its contractual obligations. The commissioner may also
36 provide for an initial or interim assessment against
37 health carriers if necessary to assure the financial
38 capability of the commissioner to meet the incurred
39 or estimated operating expenses of the bureau and
40 the advisory board until the next calendar year is
41 completed.

42 c. For purposes of this subsection, *"total health*
43 *insurance premiums"* and *"payments for subscriber*
44 *contracts"* include, without limitation, premiums or
45 other amounts paid to or received by a health carrier
46 for individual and group health plan care coverage
47 provided under any chapter of the Code or Acts, and
48 *"paid losses"* includes, without limitation, claims paid
49 by a health carrier operating on a self-funded basis
50 for individual and group health plan care coverage

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1 provided under any chapter of the Code or Acts. For
2 purposes of calculating and conducting the assessment,
3 the commissioner shall have the express authority
4 to require health carriers to report on an annual
5 basis each health carrier's total health insurance
6 premiums and payments for subscriber contracts and
7 paid losses. A health carrier is liable for its share
8 of the assessment calculated in accordance with this
9 subsection regardless of whether it participates in the
10 individual insurance market.

11 8. The commissioner shall keep an accurate
12 accounting of all activities, receipts, and
13 expenditures of the bureau and advisory board and
14 annually submit to the governor, the general assembly,
15 and the public, a report concerning such accounting.

16 9. The bureau and the advisory board shall
17 coordinate their activities with the Iowa Medicaid
18 enterprise of the department of human services,
19 the department of revenue, the department of public
20 health, and the insurance division of the department
21 of commerce to ensure that the state fulfills the
22 requirements of the federal Act and to ensure that
23 in the event that a health insurance exchange is
24 established in the state, the functions and activities
25 of the bureau and the advisory board can be seamlessly
26 integrated into the exchange.

27 10. As used in this section, unless the context
28 otherwise requires:

29 a. "*Advisory board*" means the health insurance and
30 cost containment advisory board.

31 b. "*Bureau*" means the health insurance and cost
32 containment bureau.

33 c. "*Commissioner*" means the commissioner of
34 insurance.

35 d. "*Federal Act*" means the federal Patient
36 Protection and Affordable Care Act, Pub. L. No.
37 111-148, as amended by the federal Health Care and
38 Education Reconciliation Act of 2010, Pub. L. No.
39 111-152, and any amendments thereto, or regulations or
40 guidance issued under those Acts.

41 e. "*Health care provider*" means a physician who is
42 licensed under chapter 148, or a person who is licensed
43 as a physician assistant under chapter 148C or as an
44 advanced registered nurse practitioner.

45 f. "*Health carrier*" means an entity subject to the
46 insurance laws and rules of this state, or subject to
47 the jurisdiction of the commissioner, that contracts
48 or offers to contract to provide, deliver, arrange
49 for, pay for, or reimburse any of the costs of health
50 care services, including an insurance company offering

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1 sickness and accident plans, a health maintenance
2 organization, a nonprofit hospital or health service
3 corporation, or any other entity providing a plan of
4 health insurance, health benefits, or health services.
5 g. (1) "*Health insurance*" means benefits consisting
6 of health care provided directly, through insurance
7 or reimbursement, or otherwise, and including items
8 and services paid for as health care under a hospital
9 or health service policy or certificate, hospital or
10 health service plan contract, or health maintenance
11 organization contract offered by a carrier.
12 (2) "*Health insurance*" does not include any of the
13 following:
14 (a) Coverage for accident-only or disability income
15 insurance.
16 (b) Coverage issued as a supplement to liability
17 insurance.
18 (c) Liability insurance, including general
19 liability insurance and automobile liability insurance.
20 (d) Workers' compensation or similar insurance.
21 (e) Automobile medical-payment insurance.
22 (f) Credit-only insurance.
23 (g) Coverage for on-site medical clinic care.
24 (h) Other similar insurance coverage, specified in
25 federal regulations, under which benefits for medical
26 care are secondary or incidental to other insurance
27 coverage or benefits.
28 (3) "*Health insurance*" does not include benefits
29 provided under a separate policy as follows:
30 (a) Limited scope dental or vision benefits.
31 (b) Benefits for long-term care, nursing home care,
32 home health care, or community-based care.
33 (c) Any other similar limited benefits as provided
34 by rule of the commissioner.
35 (4) "*Health insurance*" does not include benefits
36 offered as independent noncoordinated benefits as
37 follows:
38 (a) Coverage only for a specified disease or
39 illness.
40 (b) A hospital indemnity or other fixed indemnity
41 insurance.
42 (5) "*Health insurance*" does not include Medicare
43 supplemental health insurance as defined under section
44 1882(g)(1) of the federal Social Security Act, coverage
45 supplemental to the coverage provided under 10 U.S.C.
46 ch. 55, or similar supplemental coverage provided to
47 coverage under group health insurance coverage.
48 (6) "*Group health insurance coverage*" means health
49 insurance offered in connection with a group health
50 plan.>>

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1 2. Page 1, after line 4 by inserting:
2 <____. Page 9, after line 5 by inserting:
3 <Sec. _____. NEW SECTION. 513B.16 Premium rate
4 **increases — public hearing and comment.**
5 1. All health insurance carriers licensed to
6 do business in the state under this chapter shall
7 immediately notify the commissioner and policyholders
8 of any proposed rate increase exceeding the average
9 annual health spending growth rate stated in the
10 most recent national health expenditure projection
11 published by the centers for Medicare and Medicaid
12 services of the United States department of health
13 and human services, at least ninety days prior to the
14 effective date of the increase. Such notice shall
15 specify the rate increase proposed that is applicable
16 to each policyholder and shall include ranking and
17 quantification of those factors that are responsible
18 for the amount of the rate increase proposed. The
19 notice shall include information about how the
20 policyholder can contact the consumer advocate for
21 assistance.
22 2. The commissioner shall hold a public hearing at
23 least thirty days before the proposed rate increase is
24 to take effect.
25 3. The consumer advocate shall solicit public
26 comments on each proposed health insurance rate
27 increase if the increase exceeds the average annual
28 health spending growth rate as provided in subsection
29 1, and shall post without delay during the normal
30 business hours of the division, all comments received
31 on the insurance division's internet site prior to the
32 effective date of the increase.
33 4. The consumer advocate shall present the public
34 testimony, if any, and public comments received,
35 for consideration by the commissioner prior to the
36 effective date of the increase.>>
37 3. Page 1, by striking lines 5 and 6 and inserting:
38 <____. Page 15, after line 14 by inserting:>
39 4. Page 8, by striking lines 25 and 26.
40 5. By renumbering as necessary.

MATT McCOY

JACK HATCH

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Senate File 2342 - Introduced

SENATE FILE 2342
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 3204)

A BILL FOR

1 An Act relating to state taxation by providing specified tax
2 credits for the construction and installation of solar
3 energy systems and geothermal heat pumps, modifying sales
4 and use tax provisions related to property purchased for
5 resale, and creating a sales tax exemption for certain items
6 purchased for use in providing vehicle wash and wax services
7 and including effective date and retroactive and other
8 applicability provisions.
9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 DIVISION I
2 GEOTHERMAL HEAT PUMP TAX CREDITS
3 Section 1. NEW SECTION. 422.11I Geothermal heat pump tax
4 credit.
5 The taxes imposed under this division, less the credits
6 allowed under section 422.12, shall be reduced by a geothermal
7 heat pump tax credit equal to twenty percent of the federal
8 residential energy efficient property tax credit allowed for
9 geothermal heat pumps provided in section 25(D)(a)(5) of the
10 Internal Revenue Code for residential property located in Iowa.
11 Any credit in excess of the tax liability is not refundable
12 but the excess for the tax year may be credited to the tax
13 liability for the following ten years or until depleted,
14 whichever is earlier. The director of revenue shall adopt
15 rules to implement this section.
16 Sec. 2. Section 427.1, Code Supplement 2011, is amended by
17 adding the following new subsection:
18 NEW SUBSECTION. 38. *Geothermal heating and cooling system.*
19 a. The value added by any new or refitted construction or
20 installation of a geothermal heating or cooling system on or
21 after July 1, 2012, on property classified as residential.
22 The exemption shall be allowed for ten consecutive years.
23 The exemption shall apply to any value added by the addition
24 of mechanical, electrical, plumbing, ductwork, or other
25 equipment, labor, and expenses included in or required for the
26 construction or installation of the geothermal system, as well
27 as the proportionate value of any well field associated with
28 the system and attributable to the owner.
29 b. A person claiming an exemption under this subsection
30 shall obtain the appropriate forms from the assessor. The
31 forms shall be prescribed by the director of revenue. The
32 claim shall be filed no later than February 1 of the first
33 assessment year the exemption is requested and shall contain
34 information pertaining to all costs and other information
35 associated with construction and installation of the system.



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1 Once the exemption is allowed, the exemption shall continue to
2 be allowed for ten consecutive years without further filing as
3 long as the property continues to be classified as residential
4 property.

5 c. The director shall adopt rules to implement this
6 subsection.

7 Sec. 3. IMPLEMENTATION. Section 25B.7 does not apply to the
8 property tax exemption enacted in this division of this Act.

9 Sec. 4. EFFECTIVE UPON ENACTMENT. This division of this
10 Act, being deemed of immediate importance, takes effect upon
11 enactment.

12 Sec. 5. RETROACTIVE APPLICABILITY. The following provision
13 or provisions of this division of this Act apply retroactively
14 to January 1, 2012, for tax years beginning on or after that
15 date:

16 1. The section of this division of this Act enacting section
17 422.11I.

18 Sec. 6. APPLICABILITY. The following provision or
19 provisions of this division of this Act apply to assessment
20 years beginning on or after January 1, 2013:

21 1. The section of this division of this Act enacting section
22 427.1, subsection 38.

23 DIVISION II

24 SOLAR ENERGY SYSTEM TAX CREDITS

25 Sec. 7. NEW SECTION. 422.11L Solar energy system tax
26 credits.

27 1. The taxes imposed under this division, less the credits
28 allowed under section 422.12, shall be reduced by a solar
29 energy system tax credit equal to the sum of the following:

30 a. Twenty-five percent of the federal residential energy
31 efficient property credit related to solar energy provided in
32 section 25D of the Internal Revenue Code, not to exceed three
33 thousand dollars.

34 b. Twenty-five percent of the federal energy credit related
35 to solar energy systems provided in section 48 of the Internal

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1 Revenue Code, not to exceed fifteen thousand dollars.

2 2. Any credit in excess of the tax liability is not
3 refundable but the excess for the tax year may be credited
4 to the tax liability for the following ten years or until
5 depleted, whichever is earlier. The director of revenue shall
6 adopt rules to implement this section.

7 3. a. An individual may claim the tax credit allowed a
8 partnership, limited liability company, S corporation, estate,
9 or trust electing to have the income taxed directly to the
10 individual. The amount claimed by the individual shall be
11 based upon the pro rata share of the individual's earnings of
12 the partnership, limited liability company, S corporation,
13 estate, or trust.

14 b. A taxpayer who is eligible to claim a credit under this
15 section shall not be eligible to claim a renewable energy tax
16 credit under chapter 476C.

17 4. The cumulative value of tax credits claimed annually
18 by applicants pursuant to this section shall not exceed one
19 million five hundred thousand dollars.

20 5. On or before January 1, annually, the department shall
21 submit a written report to the governor and the general
22 assembly regarding the number and value of tax credits claimed
23 under this section, and any other information the department
24 may deem relevant and appropriate.

25 Sec. 8. Section 422.33, Code 2011, is amended by adding the
26 following new subsection:

27 NEW SUBSECTION. 29. a. The taxes imposed under this
28 division shall be reduced by a solar energy system tax credit
29 equal to twenty-five percent of the federal energy credit
30 related to solar energy systems provided in section 48 of the
31 Internal Revenue Code, not to exceed fifteen thousand dollars.

32 b. The taxpayer may claim the credit pursuant to this
33 subsection according to the same requirements, conditions, and
34 limitations as provided pursuant to section 422.11L.

35 Sec. 9. Section 476C.2, Code Supplement 2011, is amended by



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1 adding the following new subsection:

2 NEW SUBSECTION. 3. A taxpayer who is eligible to claim
3 a renewable energy tax credit under this chapter shall not
4 be eligible to claim a solar energy system tax credit under
5 section 422.11L or 422.33.

6 Sec. 10. EFFECTIVE UPON ENACTMENT. This division of this
7 Act, being deemed of immediate importance, takes effect upon
8 enactment.

9 Sec. 11. RETROACTIVE APPLICABILITY. This division of this
10 Act applies retroactively to tax years beginning on or after
11 January 1, 2012.

12 DIVISION III

13 SALES TAX EXEMPTIONS

14 Sec. 12. Section 423.1, subsection 39, paragraphs b and c,
15 Code Supplement 2011, are amended to read as follows:

16 *b.* The property is transferred to the user of the service
17 in connection with the performance of the service in a form
18 or quantity capable of a fixed or definite price value, or
19 the property is entirely consumed in connection with the
20 performance of an auto body repair service purchased by the
21 ultimate user.

22 *c.* The sale is evidenced by a separate charge for the
23 identifiable piece of property unless the property is entirely
24 consumed in connection with the performance of an auto body
25 repair service purchased by the ultimate user.

26 Sec. 13. Section 423.3, Code Supplement 2011, is amended by
27 adding the following new subsection:

28 NEW SUBSECTION. 96. The sales price from the sale of water,
29 electricity, chemicals, solvents, sorbents, or reagents to a
30 retailer to be used in providing a service that includes a
31 vehicle wash and wax, which vehicle wash and wax service is
32 subject to section 423.2, subsection 6.

33 Sec. 14. EFFECTIVE UPON ENACTMENT. This division of this
34 Act, being deemed of immediate importance, takes effect upon
35 enactment.



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1 EXPLANATION

2 This bill relates to state taxation by providing specified
3 tax credits and sales and use tax exemptions.

4 Division I provides an income tax credit and property tax
5 exemption for the construction or installation of a geothermal
6 heating or cooling system in connection with residential
7 property located in Iowa.

8 The division provides for an income tax credit for
9 such installations equal to twenty percent of the federal
10 residential energy efficiency property income tax credit
11 allowed for geothermal heat pumps. The division states that
12 any credit in excess of tax liability is not refundable but may
13 be credited to the tax liability for the following 10 years or
14 until depleted, whichever is earlier.

15 The division additionally provides for a property tax
16 exemption equal to the value added by any new or refitted
17 construction or installation of a geothermal heating or cooling
18 system on or after July 1, 2012. The division states that
19 the exemption shall be allowed for 10 consecutive years, and
20 shall apply to any value added by the addition of mechanical,
21 electrical, plumbing, ductwork, or other equipment, labor,
22 and expenses included in or required for the construction or
23 installation of the system, as well as the proportionate value
24 of any well field associated with the system and attributable
25 to the owner. The division specifies procedures regarding
26 claiming the exemption.

27 The division provides for the adoption of rules by the
28 director of the department of revenue, and states that Code
29 section 25B.7, regarding full state funding of property
30 tax credits or exemptions, shall not be applicable to the
31 geothermal heating and cooling system property tax exemption.

32 The division takes effect upon enactment. Provisions in
33 the division enacting the income tax credit for geothermal
34 heat pumps apply retroactively to January 1, 2012, for tax
35 years beginning on or after that date. Provisions enacting



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1 the property tax exemption for geothermal heating and cooling
2 systems apply to assessment years beginning on or after January
3 1, 2013.

4 Division II provides an individual and corporate income tax
5 credit for solar energy systems. The credit is equal to 25
6 percent of the federal residential energy efficient property
7 credit related to solar energy provided in section 25D of the
8 Internal Revenue Code, not to exceed \$3,000, and 25 percent
9 of the federal energy credit related to solar energy systems
10 provided in section 48 of the Internal Revenue Code, not to
11 exceed \$15,000. The credit is nonrefundable, but may be
12 carried forward for 10 years, or until depleted.

13 The division provides that an individual may claim the tax
14 credit allowed a partnership, limited liability company, S
15 corporation, estate, or trust based upon the individual's pro
16 rata share of the earnings. The division also provides that
17 a taxpayer may not claim both the solar energy systems tax
18 credit provided in the bill and the renewable energy tax credit
19 provided in Code chapter 476C. Further, the division restricts
20 the cumulative total of solar energy systems tax credits issued
21 for all taxpayers to an amount not exceeding \$1.5 million
22 annually.

23 The division contains reporting requirements regarding
24 the number and value of tax credits claimed, and any other
25 information the department may deem relevant and appropriate.

26 The division takes effect upon enactment, and applies
27 retroactively to tax years beginning on or after January 1,
28 2012.

29 Division III amends the definition of "property purchased
30 for resale in connection with the performance of a service"
31 in Code section 423.1. Under current law, property qualifies
32 as "property purchased for resale in connection with the
33 performance of a service" if, among other things, it is
34 transferred during the service in a form or quantity capable
35 of a fixed or definite price value and listed as a separate



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1 charge. The division provides that property which is entirely
2 consumed in connection with the performance of an auto body
3 repair service will also qualify as "property purchased for
4 resale in connection with the performance of a service", and
5 provides that the property entirely consumed in performance of
6 the service need not be listed as a separate charge.

7 The division also creates a sales tax exemption for sales of
8 water, electricity, chemicals, solvents, sorbents, or reagents
9 made to a retailer for use in providing taxable vehicle wash
10 and wax services. By operation of Code section 423.6, an item
11 exempt from the imposition of the sales tax is also exempt from
12 the use tax imposed in Code section 423.5.

13 The division takes effect upon enactment.